

**LEGISLATIVE HEARING ON H.R. 1383, H.R. 802,
H.R. 1657, AND H.R. 1671**

HEARING
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
OF THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
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LEGISLATIVE HEARING ON H.R. 1383, H.R. 802, H.R. 1657, AND H.R. 1671

TUESDAY, MAY 3, 2011

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,
Washington, DC.

The Subcommittee met, pursuant to notice, at 1:02 p.m., in Room 340, Cannon House Office Building, Hon. Marlin A. Stutzman [Chairman of the Subcommittee] presiding.

Present: Representatives Stutzman, Johnson, Braley, and Walz.

OPENING STATEMENT OF CHAIRMAN STUTZMAN

Mr. STUTZMAN. Good afternoon, and I call the Subcommittee on Economic Opportunity of the Committee on Veterans' Affairs, to order.

Today, we will be taking testimony on H.R. 1383, the "Restoring GI Bill Fairness Act of 2011," sponsored by Chairman Miller and myself; also, H.R. 802, sponsored by Ranking Member Filner; H.R. 1671, sponsored by Ranking Member Braley; and H.R. 1657, a bill to improve the U.S. Department of Veterans Affairs' (VA's) enforcement of service-disabled, veteran-owned small businesses and their contracting, which I introduced. And our intent is to hold a Subcommittee markup this Thursday followed by a full Committee markup on May 11th.

H.R. 1383, the "Restoring GI Bill Fairness Act of 2011," is a bill that would grandfather veterans attending private schools who are adversely affected by the changes to the GI bill that passed at the end of last Congress. I am glad that we were able to make this fix to help vets in the seven States that would see their tuition and fee payments reduced, all without increasing the deficit due to the inclusion of an offset. I see by their testimony that the VA has some objections to the bill, and I hope we can work through those concerns.

H.R. 1657 is a bill that I introduced that is designed to debar companies who are fraudulently claimed to be service-disabled, veteran-owned small businesses (SDVOBs) from doing business with VA. For too long, legitimate SDVOBs have lost contracts to these fraudulent companies, and I hope that the prospect of debarment for 5 years will be the deterrent we need to stop this despicable practice.

I would ask all of today's witnesses to summarize your written statement within 5 minutes, and without objection each written testimony will be made part of the hearing record.

Before we begin with testimony, I now ask unanimous consent to have statements from the Gold Star Wives, and the Paralyzed Veterans of America entered into the record. Hearing none, so ordered.

[The prepared statement of Chairman Stutzman, and the statements for the record, appears on p. 25.]

Mr. STUTZMAN. I now yield to the distinguished Ranking Member from the great corn State of Iowa for any remarks he may have.

OPENING STATEMENT OF HON. BRUCE L. BRALEY

Mr. BRALEY. I want to thank you for holding this hearing because I think the subjects we are dealing with today are why the work of this Subcommittee is so important. Today's legislative hearing includes four bills before us that address some of the urgent needs of our veterans' population, including education benefits, extending temporary adaptation grants for disabled veterans, recognizing small businesses for their contributions to employing veterans, and penalizing fraudulent veteran-owned small businesses.

Included in the hearing today is H.R. 1671, the "Andrew Connolly Veterans Housing Act," that I introduced yesterday. This bill seeks to extend the temporary residence adaptation grant, also known as the TRA, through December of 2016. The TRA permits the Secretary of Veterans Affairs to award a grant to a service-disabled veteran who is temporarily residing in a residence owned by a member of the veteran's family and makes adaptations necessary to meet the veteran's mobility needs. And I have worked with a number of veterans in my district who take advantage from these programs.

Currently, the legislation is set to terminate on December 31, 2011, which is why I am extending this to December 31, 2016. This grant is important to service-connected veterans who return home with devastating injuries. These veterans need a caretaker while they rehabilitate, and these caretakers are generally family members. In order to provide disabled veterans with the independence they need while they recuperate, different types of adaptations need to be made to a family's home while the veteran lives temporarily with them.

Finally, I want to recognize one of my constituents, Andrew Connolly, a disabled veteran who served in Iraq and Egypt, who has received a specially adaptive housing grant and is here to talk about how this grant has affected his life.

One of the things that I can tell you about, knowing Andrew and his wife, Jenny, and his son Brody, who is here, is that they have a deep appreciation for how these programs provide opportunities for a new future for families like theirs who are affected by an unplanned disability.

I want to thank them for traveling from Iowa to be with us today and for Andrew's continued service by fighting for veterans' issues. One of the highlights of my career was going to the open house that Andrew, Jenny and Brody held with the new home they were able to build from this grant. They gave away black sweatshirts to everyone there, Mr. Chairman, and it had a little house logo, and on that logo it said this house was built on hope and love. I cannot

think of any better symbol of what these grants are supposed to do, and that is why I am so proud to have them here today.

And, with that, I yield back.

[The prepared statement of Congressman Braley appears on p. 25.]

Mr. STUTZMAN. Thank you, Mr. Braley.

I now ask the first panel to come forward.

With us today is Ms. Christina Roof, representing AMVETS; Mr. Robert Madden from The American Legion; Mr. Tom Tarantino from the Iraq and Afghanistan Veterans of America (IAVA); and Mr. Shane Barker from the Veterans of Foreign Wars of the United States (VFW).

And, of course, Mr. Andrew Connolly, who we met; and it is great to meet you, sir. Thank you for your service. It is good to meet your family as well. Thank you for having them all here. I am looking forward to your testimony.

So let us start with Ms. Roof. You have 5 minutes for testimony.

STATEMENTS OF CHRISTINA M. ROOF, NATIONAL ACTING LEGISLATIVE DIRECTOR, AMERICAN VETERANS (AMVETS); TOM TARANTINO, SENIOR LEGISLATIVE ASSOCIATE, IRAQ AND AFGHANISTAN VETERANS OF AMERICA; SHANE BARKER, SENIOR LEGISLATIVE ASSOCIATE, NATIONAL LEGISLATIVE SERVICE, VETERANS OF FOREIGN WARS OF THE UNITED STATES; ROBERT MADDEN, ASSISTANT DIRECTOR, NATIONAL ECONOMIC COMMISSION, THE AMERICAN LEGION; AND ANDREW CONNOLLY, DUBUQUE, IA

STATEMENT OF CHRISTINA M. ROOF

Ms. ROOF. Thank you.

Chairman Stutzman, Ranking Member Braley, and distinguished Members of the Subcommittee, on behalf of AMVETS, I would like to extend our gratitude for being given the opportunity to share with you our views and recommendations on these very important pieces of legislation. The Committee has my full statement for the record, so in the interest of time today, I will just address a few of the bills.

AMVETS supports H.R. 1657, to amend title 38 to revise the enforcement of penalties for misrepresentation of a business concern as a VOSB or as an SDVOSB. AMVETS applauds Congressman Stutzman for introducing this piece of legislation, which AMVETS believes is very long overdue and very much needed. AMVETS believes H.R. 1657 will not only strengthen, but also help enforce penalties that have long been in place, yet severely underutilized by numerous Federal agencies.

AMVETS urges a swift passage of H.R. 1657 and further calls upon the Subcommittee to focus a substantial amount of their time during the 112th Congress to finally close all of the loopholes within the Federal procurement system and to pass laws that will once and for all rid the Federal procurement system of fraudulent businesses unlawfully taking contracts and jobs from veterans.

AMVETS also lends our strong support to H.R. 1671, to extend the authority of the Secretary of Veterans Affairs to provide specially adaptive housing to veterans residing in temporary housing.

Thousands of disabled veterans depend on these funds to sustain their quality of life and independence.

Furthermore, given the rate at which our Nation's war fighters are returning from our current conflicts with debilitating and life-changing injuries, AMVETS urges the swift passage of this life-sustaining bill and urges Congress not only to extend this to 2016, but to look to further extending this to meet the needs of our current serving men and women who, as we sit here today, are engaged in combat abroad.

Finally, AMVETS supports H.R. 1383, to temporarily preserve higher rates of tuition and fees. AMVETS believes this will allow for students currently enrolled in nonpublic institutions of higher learning the opportunity to finish their degree without any undue financial burden or stresses.

And while AMVETS applauds Chairman Miller for introducing this piece of legislation, I feel I will be doing a great disservice to the AMVETS membership if I do not voice their concerns regarding the new system of which veterans will receive their monthly living allowances under the new Post-9/11 GI Bill. AMVETS believes many veterans already utilizing their educational benefits and entitlements under the Post-9/11 GI Bill will be caught off guard and experience undue financial hardship during the time periods between college semesters.

AMVETS urges Congress to revisit this issue, and we even more strongly urge VA to immediately start performing stronger outreach and education on all of the changes made to the Post-9/11 GI Bill to those students already enrolled in institutions of higher learning.

Chairman Stutzman and distinguished Members of the Subcommittee, AMVETS again would like to thank you for inviting us to share with you our opinions and recommendations today.

This concludes my testimony, and I stand ready to answer any questions you may have for me.

[The prepared statement of Ms. Roof appears on p. 26.]

Mr. STUTZMAN. Thank you, Ms. Roof.

Mr. Tarantino, you are now recognized for 5 minutes.

STATEMENT OF TOM TARANTINO

Mr. TARANTINO. Mr. Chairman, Ranking Member, and Members of the Committee, on behalf of Iraq and Afghanistan Veterans of America's 200,000 members and civilian supporters, I want to thank you for inviting me to testify at this hearing to share our members' views on these really important issues.

My name is Tom Tarantino, and I am the Senior Legislative Associate with IAVA. I proudly served 10 years in the Army, beginning my career as an enlisted Reservist and leaving service as an active-duty cavalry officer. Throughout those 10 years, my single most important duty was to take care of soldiers. In the military, they teach us to have each other's backs. Although my uniform is now a suit and tie, I am proud to work with Congress to ensure that the entire country has the backs of America's servicemembers and veterans.

IAVA conceptually supports the establishment of a program to recognize businesses that contribute to veterans' employment.

While we endorse H.R. 802, IAVA does have concerns about what the specific program will look like, how it plans to recognize businesses, and what effect it will have on lowering the rising veteran unemployment rate. While the VetStar program certainly couldn't hurt, we remain skeptical that this is the most effective course of action for Congress to take at this stage.

In 2010, the unemployment rate for new veterans was a staggering 11½ percent. Even as the civilian unemployment rate begins to decline, we continue to see new veteran unemployment rise from month-to-month in 2011. With less than half a percent of Americans fighting in this current war and only 8 percent of Americans having ever served in the military, it is critical that we bridge this widening gap between the civilian workforce and our Nation's veterans. IAVA believes that more proactive measures need to be taken if we are to turn the tide of veteran unemployment.

Several weeks ago, we brought 28 Iraq and Afghanistan veterans from around the country to D.C. for our Storm the Hill campaign. Our goal was to reduce the veteran unemployment rate by Veterans Day in 2011. We met with 117 offices and 57 Members of Congress. We identified five priorities for Congress to actually tackle to reduce the veteran unemployment rate.

We want to order a study and report on the differences between military certifications, jobs, and education with their civilian counterparts.

We want to make Transition Assistance Program mandatory and call for a review of the program every 3 years.

We want to make the Uniformed Services Employment and Reemployment Rights Act (USERRA) violations enforceable and expand them to in-State National Guard deployments.

We want to encourage entrepreneurship by expanding successful programs like the Patriot Express Loan Program and the Veteran Entrepreneur Boot Camp.

And we want to encourage businesses to hire veterans by simplifying and enacting robust tax relief.

I am proud to report that these ideas came with almost universal support. And many Members of the House, especially those sitting on this Committee, have stepped up and are currently working on legislation that will reduce the number of veterans coming home from war to an unemployment check. And I look forward to testifying at future legislative hearings on those bills and reporting to our 90,000 Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) veterans that Congress once again has their back.

IAVA proudly supports H.R. 1383. This bill will ensure that a small minority of veterans who, due to poorly constructed and confusing tuition and fee regulations, would have had their benefits reduced as a result of the Post-9/11 GI bill's expansion to more than 400,000 veterans. It will ensure that they will be able to finish their college education.

The House of Representatives widely included this provision in their version of the Post-9/11 Veterans Educational Improvement Act of 2010. However, it was excluded from the version that was signed by the President. IAVA fought hard to ensure that student veterans would not be negatively impacted by the improvement

and the expansion of the GI Bill; and on behalf of our members and those student veterans, I want to thank this Committee for taking this on.

IAVA supports H.R. 1657, strengthening the penalties that small businesses may incur if they misrepresent themselves as a veteran-owned or service-disabled veteran-owned small business seeking government contracts.

Promoting veteran entrepreneurship is key to fighting the growing tide of veteran unemployment, and small businesses that falsely claim to be veteran owned when applying for government contracts harm veterans who provide essential services to the government. This bill will provide clarity on those penalties.

And IAVA proudly supports H.R. 1671, that would extend the authority of the Secretary of Veterans Affairs to provide adaptive housing benefits to veterans who are recovering from injuries at the home of a caregiver through 2016.

For thousands of veterans returning home from Iraq and Afghanistan with severe injuries, the recovery process is often long and arduous. Many of them require constant care from a caregiver years after they leave service, and during this time, they frequently reside in a home that is not their own or a permanent residence that they may live on after they recover. So adaptations like ramps and elevators and all the things that you need to increase your mobility may need to be done twice. So by extending this to 2016, Congress shows their strong support for these veterans for their sacrifice and the extreme sacrifices they have made for our freedom.

I would like to thank this Committee for continuing to support Iraq and Afghanistan veterans and their families. By ensuring that these bills are swiftly made into law, we will continue to send a signal to veterans of all generations that Congress and the veterans' community has their backs.

Thank you for your time and attention. I would be happy to answer any questions.

[The prepared statement of Mr. Tarantino appears on p. 28.]

Mr. STUTZMAN. Thank you. We have just been called to votes. Mr. Barker, we will take your testimony, and then we will run over and vote, and then we will be back to continue. So, Mr. Barker, 5 minutes.

STATEMENT OF SHANE BARKER

Mr. BARKER. Thank you very much on behalf of the Veterans of Foreign Wars. We appreciate the opportunity to present our views on these bills to you today.

We support H.R. 802, legislation to establish an award program known as VetStar. This would recognize businesses for their efforts to employ veterans.

We have concerns about this legislation, however. For it to be successful, funding may be needed to conduct the private-sector outreach to promote employment in the population of veterans.

We also believe that the Department of Labor's Veterans' Employment and Training Service may be better suited to provide access to the private and public sector employment data and assistance to verify and acknowledge companies that take this initiative in employment and in promotion of veterans. Those who employ

our veterans should not go unnoticed, and we look forward to working with the Committee on this legislation in the future.

We greatly appreciate the Chairman's initiative in introducing H.R. 1383, the "Restoring GI Bill Fairness Act of 2011." It addresses what is perhaps the most harmful deficiency with the current Post-9/11 GI Bill; that is, the lack of provisions to ensure that students are not saddled with debt or out-of-pocket expenses as a result of changes in tuition payment rates set to take effect this August.

Over the past 2 years, many students have chosen a particular degree program with the expectation that the Yellow Ribbon program they began with would still be there when they completed their degree. Changes made to the Post-9/11 GI Bill last year, positive as they were, significantly altered the Yellow Ribbon program without protecting current degree-seeking students from the impact. Many could find themselves making the choice between transferring schools or paying hefty tuition bills if they choose to remain. H.R. 1383 would preclude changes made to the Yellow Ribbon program from negatively affecting students who are already working on their degrees. It is very good legislation, and the VFW strongly supports it.

We also support H.R. 1657. Veterans preference in hiring and contracting has been a great benefit to many veterans and should be protected from abuse. Provisions in this legislation would create harsher penalties for those who abuse the system and enhance protections for service-disabled and veteran-owned businesses involving contracting. It also heightens oversight of the process, a critical piece.

Finally, the VFW supports H.R. 1671, which would extend the authority of VA to provide specially adaptive housing assistance to individuals residing temporarily in housing owned by a family member. Through the VA's adaptive housing program, hundreds of our most severely injured veterans have been given an opportunity to transition back into civilian life while gaining some sense of independence as they recuperate under the care of a family member.

With the ongoing wars in Afghanistan and Iraq, we must continue providing adaptive housing assistance for our severely injured veterans. This essential benefit unquestionably makes a difference in the quality of life for many disabled veterans and their families.

Mr. Chairman, Ranking Member, we appreciate this opportunity; and we would be happy to take any questions you may have.

[The prepared statement of Mr. Barker appears on p. 29.]

Mr. STUTZMAN. Thank you very much.

At this time, we will take a short recess while votes are taken; and we will resume as quickly as possible once we are back here.

To the Connolly family, I apologize for the break, but you understand, I am sure. So we are looking forward to your testimony as well. We will be back as quickly as possible. So thank you again.

We have two votes, so it shouldn't take us very long. Thank you.

[Recess.]

Mr. STUTZMAN. We will continue our Committee meeting here.

I am going to ask for unanimous consent to include letters from the Military Officers Association and the National Association of Veterans Programs Administrators to the record as well. Without objection. Thank you.

[The letters appear on p. 37.]

Mr. STUTZMAN. At this time, we will continue with testimony. I appreciate your patience, and we will continue with Mr. Madden.

Mr. Madden, you have 5 minutes to testify.

STATEMENT OF ROBERT W. MADDEN

Mr. MADDEN. Thank you, Chairman Stutzman and Ranking Member Braley, for allowing the American Legion the opportunity to present our views on the proposed legislation.

We have seen massive changes made to the education benefits that servicemembers and veterans receive. Congress took the initiative in 2007 to work towards a bill that would properly address the economic needs of our servicemembers and provide them with an educational benefit that properly addresses their commitment and service to this great Nation.

As a result of the Post-9/11 GI Bill, there were a few unintended consequences that revealed some parity or equity issues resulting in some veterans receiving a grander benefit than those who chose an uncommon path of education. The original bill did not allow for those pursuing at a non-degree grant institution to receive the more robust benefit that those who did attend a more traditional path of education. This is one of some of the examples that were addressed in 2010.

Now we are gazing upon a landscape and are again seeing unintended consequences that need to be addressed through legislative changes. H.R. 1383 seeks to accomplish one of those unintended consequences. The American Legion is understanding of this group of private school student veterans in certain and specific States who will see a change in their benefits.

There are also additional issues that should and need to be addressed when considering this bill. Not only are those who attend private schools with the assumption their tuition and fees would be covered, but we also need to address the out-of-State student veterans who are attending public school but will now fall under the \$17,500 cap and will be called upon to pay additional costs out of their pocket to maintain attendance in their respective public institutions.

In addition, the loss of interval pay for all education benefits will affect those attending school during short but very specific time frames.

We recommend adding the two changes that I have mentioned here today to help better serve a community who has already sacrificed so much to preserve our freedoms.

The American Legion supports H.R. 802 and 1657 and the draft legislation that is being focused on today, based on the simple measure that they one day continue to provide support, provide valuable recognition, and help apply the rule of law.

Thank you for the opportunity to address the Committee. I would be happy to answer any questions that you might have today.

[The prepared statement of Mr. Madden appears on p. 30.]

Mr. STUTZMAN. Thank you.

At this time, I am going to yield to Ranking Member Braley for the introduction and recognizing Mr. Connolly.

Mr. BRALEY. Thank you, Mr. Chairman.

I am honored to have a constituent of mine testifying today, Andrew Connolly, who served in the 133rd Combat Brigade of the Iowa National Guard, also known as part of the Red Bulls. Andrew served as part of the longest combat deployment of any unit in Iraq with the Iowa National Guard, and he also served in Egypt. So we are delighted to have him here and look forward to your testimony.

STATEMENT OF ANDREW CONNOLLY

Mr. CONNOLLY. Thank you.

First off, I would like to thank Chairman Stutzman and Ranking Member Braley for holding this important hearing today.

My name is Andrew Connolly. I am here today to advocate for adaptive housing grants for veterans. I currently reside at 2820 Illinois Avenue in Dubuque, Iowa.

I served in the United States Army National Guard from November 2000, to August 2007. During my time of service, I completed two tours. The first tour took place in the Sinai Peninsula, Egypt, from May of 2003 to January of 2004. The second tour of duty was a combat mission in the Al Anbar province in Iraq from October 2005, to August of 2007.

Our mission in Iraq was convoy security. During the 16 months I spent in Iraq, my unit transported goods to most of the western allied bases in Iraq. Our largest enemy threats were the improvised explosive devices, or IEDs.

I personally encountered many IEDs near my vehicle and experienced one direct hit, which took place on March 9, 2007. The blast report from the explosive ordnance disposal team verified it to be a pressure plate land mine with approximately 15 pounds of PE4. My team and I suffered minor injuries and concussions from the blast.

After completing my tour in Iraq, I immediately returned to work and enrolled in school. I tolerated the wear and tear on my body, figuring that the pain and weird feelings would go away. After serving in Iraq, my disability ratings varied from different parts of my body. My back and knees both bothered me quite a bit while in Iraq, which is documented in my medical files.

A little over a year after my return, I noticed numbness in my right foot. I thought that I had just tweaked something in my back due to the injuries that occurred while overseas. After a couple of months having this irritating numbness, I consulted with the VA hospital in Iowa City; and they ordered an MRI right away.

Following the MRI, the neurologist suggested that I come in for a consultation the next week. It was early February of 2009, and I was struck with some devastating news. The neurology doctor at the VA closed the door behind him, proceeded to tell me that I had a slow-growing small mass located within my spinal cord, and he was 90 percent sure that it was malignant. So a spinal cord biopsy was scheduled for 2 weeks later. The results came back positive for cancer, and treatment options were offered.

At this time, I had a million things rushing through my mind, the first being how long do I have. The next was, how am I going to get through this financially? The neurologist reported that the tumor was service-connected and most likely contributed to the pain and discomfort that I suffered while on Active Duty.

At the time, I owned a top-bottom duplex that was built in 1890. Fortunately, my family and I occupied the lower unit. Unfortunately, it was not handicapped accessible. My condition rapidly deteriorated and complicated our family situation.

My son, Brody, was born on July 31, 2008, with a neuromuscular disorder called congenital myasthenic syndrome. This disorder affects all of my son's muscles, thus causing dependence on a ventilator 24 hours-a-day. He, too, will need to be in a wheelchair for the rest of his life.

I started radiation and followed up with chemotherapy. I am still taking chemotherapy and probably will until I can no longer tolerate it or I move on. As the year 2009 went on, the right side of my body slowly lost feeling. By the time 2010 came around, my left side began to lose feeling as well. As my body began to dwindle from the nipples down, I investigated military grants for paralyzed veterans. I came across the specially adaptive housing grant and applied for it. I was denied the grant because I was still able to walk at that time.

The doctor's report stated that this type of cancer would leave me paralyzed and no cure existed. I was diagnosed with a grade 2/3 anaplastic astrocytoma cancer of the spine. This still did not qualify me for the grant.

My leg started to give out on me, and I tripped quite often. A wheelchair-bound life was creeping into the picture quite rapidly. My frustration with the VA grew immeasurably, and I felt trapped, fighting a losing battle. I was 26, married, and had a beautiful handicapped child to support.

My life spiraled downward, and I fit the grant criteria to a tee. Ironically, my minimal ability to walk kept it beyond my grasp.

For 7 years, military leaders preached to us, prepare, prepare, prepare. This is exactly what I was trying to do. I was hoping to get the grant paperwork started early so that when the time came and a wheelchair became a permanent part of my life, I would be ready. At this time, I was unable to afford a proper handicapped accessible house for my family.

In April of 2010, I called Ray Zirkelbach, who served with me in both Egypt and Iraq. Ray, an Iowa House Representative in the neighboring county, listened to my story. He, too, thought something should be done about this situation. He forwarded the e-mail on to Congressman Bruce Braley, who quickly turned around my application paperwork.

Within 2 weeks of contacting Representative Ray Zirkelbach and Congressman Bruce Braley, I was approved for the grant, and a huge weight lifted off my shoulders. With the grant approved, I was able to build a house that would be suitable for my family.

Construction on our new house began on June 21, 2010. At the same time, I became wheelchair bound. Life in our duplex during the construction of the new house was quite miserable but temporarily manageable.

In August, 2010, I officially became a paraplegic, losing all use, function, and feeling below the nipples. At this point, the neurologist decided it was time to try to remove as much of the tumor and spinal cord as possible in an attempt to prolong my life. The surgery itself went perfectly. However, the surgeons were not able to remove the entire tumor without causing me to become a quadriplegic or having respiratory complications.

With paralysis, I fell deeper and deeper into depression. The lists of tasks I was able to do around the duplex grew shorter and shorter. I became so reliant on my wife and others to help me accomplish simple tasks. Taking a shower, for instance, became an hour-long duty that required an extra set of hands and an awkward plastic bench that offered terrible support. I lost all control of bowel and bladder, which made it impossible for me to use the bathroom in my own apartment.

Since the duplex was built in 1890, all the doorways and hallways were narrow and produced a knuckle-rubbing experience every time I moved into a different room. Cooking, doing the dishes, and even maneuvering around the kitchen became very difficult. Life in the duplex was unbearable.

Today, I am in my new house. Today, I took a shower by myself in a 5-by-5 roll-in shower with handicap controls. Today, I cooked my own breakfast because I was able to reach all of the ingredients. Today, I was able to watch my son, Brody, sleeping in his bedroom because I could roll through his doorway with my wheelchair.

Today, I am praying for all soldiers and veterans, that they may have the support and dignity they deserve without having to jump through hoops or have friends in politics. I am where I am today because I had advocates, not because I will ultimately die young as a result of serving the country I love. Adapted housing grant programs, including the temporary residence adaptation program that is specifically extended by this legislation, ensure that our brave soldiers get the assistance they deserve so that they can live as self-sufficiently as possible.

Thank you again for holding this hearing. It is my hope that Congress extends the TRA program and continues its support for all adaptive housing grant programs to come, and I am open to any questions you might have. Thank you.

[The prepared statement of Mr. Connolly appears on p. 32.]

Mr. STUTZMAN. Thank you, Mr. Connolly.

Thanks to each of you for your testimony.

I will start the questioning.

I guess my question to you, Mr. Connolly—I just really appreciate your story, and you are an inspiration. And thank you again for your service. It is just remarkable. And I am sure you have many questions, and I think what you are here today and supporting is really just a small token of appreciation from our country to you and what you have been willing to give. And I cannot say thank you enough. To you and your son and to your wife, I wish you the very best.

But during the time when your disease progressed, needing a wheelchair, was there a time when you could walk with the assistance of a cane or a similar device? For how long?

Mr. CONNOLLY. Yes. I started using the cane probably around April, just a single one-arm cane. And then I switched to four-arm canes for a while. And then I started tripping quite a bit with those and had to move into the wheelchair almost at the same time I started to build the house.

Mr. STUTZMAN. How many months was that before you were confined to a wheelchair that you were using it about, from when you were able to walk without any assistance to the wheelchair?

Mr. CONNOLLY. Well, from diagnosis in 2009, February of 2009, I was able to walk on my own up until April. And then in June I was wheelchair bound from then on.

Mr. STUTZMAN. Quite rapidly then. So once you were approved for the grant—that seems to be the biggest holdup for you, was getting approved. What has your experience been like since you have been approved, getting the house built? You have a new house for you and your family.

Mr. CONNOLLY. Yeah. Once Congressman Braley had—once I contacted him, everything has gone real smoothly. Our house was built fairly quick. Our contractor did a great job. And the VA—the support that I have had from the VA has been pretty good. But since I have been approved, everything has gone pretty darn smooth.

Mr. STUTZMAN. What about with your son, Brody? What type of assistance and help have you been able to receive? Are there programs there? What kind of challenges and also assistance is there for you?

Mr. CONNOLLY. Well, I haven't really worked with the VA for our son very much. We also have Medicaid for him, and they deal mostly with Brody. But with this grant and the new house, it has made life for Brody and us so much easier. We have a separate bathroom for him that is handicap accessible, and it has helped out quite a bit.

Mr. STUTZMAN. The next question—and I am kind of keeping track of time in my head, and I don't want to take from the other Members' times. So if you could start then. I will just finish up here in just a couple of minutes.

But to the veterans service organizations (VSOs), you had mentioned and you had listed problems with the recent GI bill fix act from last Congress, including the interval payments and the need to grandfather groups of students who would be adversely affected by the law. Can you explain why did your organizations support the legislation that then created these problems in the first place? And I will just let any of you address that.

Mr. TARANTINO. Well, first of all, Congressman, we had worked very hard with the House of Representatives to create a fairly robust bill that worked. It wasn't the bill we got, for several reasons. First of all, we had trouble getting the bill out of the Committee. The Committee was not choosing to move. And, honestly, you don't let the perfect be the enemy of the good.

The bill that came out of the Senate expanded GI benefits to 400,000 veterans, 85,000 National Guardsmen the day it was signed. These were upgrades that were critically needed by not just our members, but by all the veterans using the GI bill. So while the bill we got was not the perfect solution, it was the solution that

we got and that is going to vastly improve the lives of veterans and their families come August 1st and that is the bottom line.

What we are looking to now is we are looking for the House to take leadership and fix some of the things that were left out of the Senate version that ultimately got passed.

Mr. MADDEN. The American Legion, as a resolution-based organization, we had certain policies that directed what we supported and what we did not support. Every policy that was, as Mr. Tarantino spoke about earlier, was in the bill that was introduced, the Senate—was the bill, but it did address in more than one way every resolution that we had affecting education. So, ultimately, in the long run, we were going to support the bill that additionally provided over 400,000 servicemembers the opportunity to attend school that were previously not allowed to.

Mr. STUTZMAN. With that, I will go ahead and close my questioning out and turn it over to Mr. Braley.

Mr. BRALEY. Thank you, Mr. Chairman.

Andrew, I have had the pleasure of having a number of constituents testify at hearings in Washington, and I can tell you I have never heard more moving testimony than what you shared with us, and there was a reason why you could hear a pin drop during your testimony. So thank you for making the effort to come out and share your story.

I think one of the important things about these adaptive housing grants under the Veterans Administration is what I call the multiplier effect, and that is how we get a lot more bang for our buck from that initial investment than just the VA dollars coming into an individual veteran's life. Could you share with us a little bit about your own experience, about how the community of Dubuque where you live embraced you and your family and made the value of this project worth much more than just the simple dollars you received?

Mr. CONNOLLY. Oh, sure. The support that I have had is just unreal. My family, my friends, people that I don't even know have all chipped in while building our house. And I just can't say enough thank you. My pens have run out of ink to try to thank so many people that have helped with building this house.

And it was in the newspaper and on television, and people just want to help other—help the veterans out that are in the community once they hear about it. And I know, like with the roofing, I had help with roofing and siding. And it is like a multiplying effect. Just more people want to help out. It is awesome. It is such a great feeling that they are there for us.

Mr. BRALEY. It is my understanding that a number of people in the building trades in the city of Dubuque just came by to donate their time and help out with the construction of the home so that the value that you got from that money went a lot further than would have otherwise. Is that right?

Mr. CONNOLLY. That is for sure, yes.

Mr. BRALEY. One of the things that I think is so significant about your testimony is something that you mentioned in your testimony, Mr. Tarantino, and I want to talk specifically about your third recommendation, where you said to make USERRA violations enforce-

able and expand USERRA to include in-State National Guard deployments.

Mr. Connolly and the Iowa National Guard served the longest combat deployment of any unit in Iraq. It was featured in an hour-long *60 Minutes* special on Veterans Day. And we have changed the emphasis that we place on our Guard and Reserve units, bringing them to an almost active-duty rotation. And yet there is still some troubling discrepancies between the types of benefits afforded to people in the Guard and Reserve, and I will just give you an example.

When Mr. Connolly came back from Iraq, it was brought to my attention that many of the members of his unit had their orders cut short 1, 2, 3, 4, or 5 days so that they did not qualify for an additional \$250 a day in GI Bill education assistance benefits. And you can imagine how angry I and many other people who represented constituents affected by that policy were with the U.S. Department of Defense. We got that problem solved and found out that tens of thousands of Guard members around the country did not even know those benefit had been denied.

Then we got into a problem with respite leave compensation for people serving in an hazardous area for prolonged periods of time were being denied up to \$250 a day of additional compensation.

So the concern I have for all of you is it is great to have policies and statutes that govern how benefits should be awarded, but if the Pentagon and the Department of Defense aren't respecting the purpose behind those laws, you still have a problem. Could you elaborate on why that recommendation is important?

Mr. TARANTINO. This is tied to that issue, and I am speaking for someone who served as a Reservist back in the 1990s. It was pretty common for the Army to send you on a 179-day AT or deployment. Because once you hit 180 days, suddenly you get all these veterans' benefits. We always used to laugh about that morbidly, because that is just the way it worked.

I am happy to say that these have gotten better. But there has been—especially since our National Guard and Reserve have borne a terrible burden throughout this entire conflict over the last 10 years. If you are a National Guardsman, you have a very specific job; and that job was not designed to be three, four rotations into a combat zone within a 10-year period. Because when you come back, you still have duty in-State.

I looked at my own State, California, which tends to burn down every year. And we use our National Guard for in-State fire-fighting. This is not a Federal disaster. These are State disasters.

So you are really looking at a situation where you have to leave your job to get called up, go and defend your hometown from burning down, but your job isn't protected when you come back off. And that is really what is the crux of it. There is a lot of things that we need to do to tweak USERRA to make it more effective, to make it more enforceable.

But this was one really big, gaping hole that a lot of our members are starting to feel pain. They are protected when they go overseas. But when they have to do a month-long stint fighting a fire or doing flood relief, they are starting to find that their jobs aren't protected. And, frankly, that is just not right.

Mr. BRALEY. I just want to follow up on that. Because when Mr. Connolly and his colleagues came back, they immediately faced an ice-storm disaster in my district that put a half a million people without electricity. Then the worst tornado in the United States in 2008, the worst flooding in our State in history. And I saw them all over my State, and now there are 3,500 members of the Iowa National Guard serving in Afghanistan. This is a problem I think that we have swept under the rug far too long, and that is why I appreciate all of your attention to these issues.

And I yield back.

Mr. JOHNSON [presiding]. Thank you. And thank you all for being here. Sorry I was late. I had another hearing this morning—or this afternoon, rather.

I am Bill Johnson from Ohio, and I am going to yield myself my question time, if that is okay.

Have you folks thought about H.R. 1657? How can we further strengthen the laws to deter fraudulent companies from claiming to be service-disabled, veteran-owned businesses and taking contract dollars away from those legitimate ones? Do you think H.R. 1657 is going to be an adequate deterrent?

Ms. ROOF. I think it is a great start. What I have said repeatedly and what AMVETS believes is that you can't come up with new laws or strengthen laws until you start enforcing them. I hate to be blunt about it, but there are laws in place that are not being enforced. And I think H.R. 1657 is a great step in a direction of enforcing—not only enforcing current penalties but giving them some teeth, for lack of a better term.

Mr. MADDEN. It is already hard enough for Federal agencies to reach that 3 percent goal that they are supposed to do so. When you add these individuals who are fraudulently qualified as service-disabled, veteran-owned small businesses, you are taking away—and we agree with the AMVETS on this, that it is just creating teeth, adding more additional penalties, debarring them after 30 days. It is a good start.

Mr. JOHNSON. But what I hear you saying is that is not enough if we are not enforcing, correct?

Ms. ROOF. Yes, sir. I think it could be said that for any law, though. Any law is great in the book. But until you enforce it, it is just that, in a book.

Mr. JOHNSON. Do any of your organizations provide any type of an award or public recognition to employers who hire veterans? And do you know of any other private-sector awards that properly recognize these veteran-friendly employees?

Mr. MADDEN. Right now, I think for quite a long time, the American Legion has had an award that goes out to small, medium, and large businesses that hire and retain veterans. We provide it every year to different departments in different States that offer suggestions. So we have been giving it for a long time.

I am not sure—I do not know offhand of any other organizations or any other magazines that might do it as well.

Mr. JOHNSON. Any others?

Ms. ROOF. We currently have a program, Employer of the Year. I can get you more information for the record on that. It is not my

forte. But AMVETS does have a couple of programs like that, actually.

[Ms. Roof subsequently provided the following information:]

AMVETS Employer of the Year

The AMVETS National Employer of the Year Awards recognize outstanding companies who demonstrate the highest commitment to hiring veterans. In light of the high rate of unemployment among veterans, recognition of those employers who, as a standard practice, go out of their way to hire the veteran becomes even more important. There are many firms that utilize veterans' preference, even though they may not be government contractors, and AMVETS wants to make sure we recognize them.

The employers to receive the awards will be selected from nominations submitted by AMVETS department employment committees. Departments, posts or individuals may make recommendations to their respective employment committees and employers may nominate themselves.

Mr. JOHNSON. I have one final question.

I find it a bit interesting that many of you have listed problems—that has already been asked? Okay. I was counseled. Asked and answered. That is a good thing. Thank you very much.

And, with that, I will yield back to the Chairman.

Mr. STUTZMAN [presiding]. I think that will be all the questions we will take, but I do want to turn it over—yield to Mr. Braley just for a couple of closing remarks with this panel.

Mr. BRALEY. Thanks again for holding this hearing, Mr. Chairman.

I think Ms. Roof's comment was instructive. Because having a law is one thing. Enforcing a law is quite a different story. And, sadly, you have to have money to enforce laws. The dilemma that we face in this climate that we are experiencing is that it takes money to enforce the law, and yet it saves money if you spend money to enforce the law. And that is the challenge we face, is making sure we are funding the enforcement arm of these agencies to do their job and make sure that we are not promoting behavior that punishes legitimate veteran-owned small businesses.

So, with that, I will yield back.

Mr. STUTZMAN. Thank you. This concludes the time of this panel. I will excuse you all and thank you again for coming.

And at this time, we will call for the second panel, consisting of Mr. Keith Wilson, Mr. Jan Frye, and Mr. John Brizzi from the Department of Veterans Affairs.

STATEMENT OF KEITH M. WILSON, DIRECTOR, EDUCATION SERVICE, VETERANS BENEFIT ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY JAN R. FRYE, DEPUTY ASSISTANT SECRETARY FOR ACQUISITIONS AND LOGISTICS, U.S. DEPARTMENT OF VETERANS AFFAIRS; AND F. JOHN BRIZZI, DEPUTY ASSISTANT GENERAL COUNSEL, U.S. DEPARTMENT OF VETERANS AFFAIRS

Mr. WILSON. Thank you for the opportunity to be here today to provide VA's views on H.R. 802, H.R. 1383, H.R. 1657, and a draft bill to authorize the VA to provide specially adapted housing assistance to individuals residing temporarily in housing owned by a family member.

Accompanying me today are Mr. Jan Frye, Deputy Assistant Secretary for Acquisitions and Logistics, and Mr. F. John Brizzi, Deputy Assistant General Counsel.

H.R. 802 would require VA to establish a VetStar Award Program, as well as a process for administering this program, which would recognize businesses for their contributions to veterans' employment.

A program of recognition for contributions to veterans' employment is a worthwhile means of encouraging businesses to continue to employ veterans. Businesses that contribute to veterans' employment provide a valuable and meaningful service, allowing VA to excel with regards to its mission to help veterans become employable and obtain and maintain gainful employment. VA supports this bill, and estimates that enactment of this bill, as written, would result in no significant costs.

Mr. Chairman, H.R. 1383, the "Restoring GI Bill Fairness Act of 2011," would temporarily preserve higher rates of tuition and fees for programs of education at nonpublic institutions of higher learning pursued by individuals enrolled in VA's Post-9/11 GI Bill as it existed before the enactment of Public Law 111-377. Section 2 of this bill would modify the amount of educational assistance payable to specific individuals to make an exception for those who are enrolled in a private institution of higher learning in certain States. This exception would apply to an individual entitled to educational assistance under the Post-9/11 GI Bill who, on or before April 1, was enrolled in a private institution of higher learning in a State in which the amount of maximum tuition per credit hour is \$700, and the combined amount of tuition and fees for full-time attendance exceeds \$17,500. There are seven States which meet this criteria: Arizona, Michigan, New Hampshire, New York, Pennsylvania, South Carolina, and Texas.

VA notes that the bill has no impact on the Post-9/11 Bill Yellow Ribbon program. The Yellow Ribbon program continues to allow high cost schools to offset those high costs by entering into agreements with VA to fully cover tuition and fee costs exceeding \$17,500. Depending on a school's level of participation, Yellow Ribbon agreements will continue to cover all tuition and fee costs in excess of \$17,500.

VA has concerns with the proposed legislation as written, to include the timeline for implementing this legislation, which are described fully in my written testimony. VA has had constructive discussions with the Subcommittee staff regarding these issues, and will be pleased to continue to be available to work with the Committee to address these concerns.

VA is aggressively working on the long-term solution needed to process GI Bill claims. VA plans to implement changes for the Post-9/11 GI Bill as mandated by Public Law 111-377 across three phases. The first release deployed on March 5. Future releases are scheduled for June 6 of this year and October 17 of this year. The enactment of H.R. 1383, as introduced, would severely hamper VA's long-term solution deployment efforts. The changes made by this legislation would lead to very complicated processing scenarios. Additionally, since the amount of educational assistance would be based on the greater of the maximum tuition credit hour payments

or \$17,500, VA would have to apply a blended set of rules for each claim that falls under these provisions.

This proposed legislation would have a negative impact on service delivery for those students using benefits this fall. VA claims processors would have to thoroughly examine each claim manually to determine if it meets the provisions, which would result in labor-intensive manual processing. This would lead to a significant increase in average processing time for all claims during the critical fall enrollment period.

H.R. 1657 would revise title 38 to mandate a minimum 5-year debarment for VA contracting for any business, including the principals of the business, determined by the Secretary to have misrepresented its status as a veteran-owned or service-disabled veteran-owned small business. Further, the bill would require VA to commence debarment action within 30 days of determination that the representation had occurred, and to complete the action within 90 days.

VA shares the Subcommittee's focus on aggressively protecting the government from disreputable businesses in order that procurement dollars set aside reach the intended recipients. VA has taken steps to protect the integrity of our set-aside process as described in my written testimony. While we support the general intent of the legislation, VA cannot support H.R. 1657 in its present form.

Mr. Chairman, this concludes my statement. Thank you for the opportunity to appear before you today. I would be happy to answer any questions you or other Members of the Subcommittee may have.

[The prepared statement of Mr. Wilson appears on p. 33.]

Mr. STUTZMAN. Thank you, Mr. Wilson. And thanks for being here on behalf of the VA. I do have a couple of questions.

You stated several concerns with the grandfather bill. Chairman Miller has made fixing the provisions in last December's fix bill, affecting tuition and fees at private institutions, a high priority. House Resolution 1383 does not mandate a method, such as within the new automated system, just an outcome. So the question becomes how does it happen? How can you make it happen?

Mr. WILSON. As mentioned in my testimony, Mr. Chairman, we have worked very aggressively with the Committee staff, and we do appreciate their involvement in this. They are fully aware of the work that we put into developing a payment system. The stage that we are at in development of that payment system and the time allowed to implement the changes are inconsistent.

Basically, what that means is we see no way that we can change our development to allow for these provisions in time to not negatively impact a broader scope of individuals during the fall enrollment. There is simply a lot of work that we continue to need to do before we begin processing fall enrollments at the beginning of June. Since we are unable to modify the development cycle in time that way, the only method for us to be paying those benefits is what I would refer to as the stubby pencil method, manual processing. We are very concerned about anything that would require us to manually process claims because of the experience we have had previously with initial implementation of this program, and

being required to do a lot of manual work to pay benefits. We are very concerned about benefits being paid on time.

Mr. STUTZMAN. Do you have any idea what that number might be, what you could anticipate as far as enrollees applying for the program?

Mr. WILSON. Nationwide we are providing education benefits to about 800,000 people in all of our education programs. We haven't fully finished our costing on this piece of legislation. The number that we do have, though, is a maximum of about 30,000 people in the seven States would be impacted by the cap of \$17,500. So 30,000 of the 800,000 or so that we provide benefits to.

Mr. STUTZMAN. Okay. Thank you. I wanted to address your point about there being a difference between, as you call it, an innocent mistake and outright willful violation of the law regarding service-disabled veteran ownership and control. And if you could provide some suggestions in that regard, I would be happy to consider them. But there appears to be no real progress on firms that have been rejected by either the U.S. Government Accountability Office well over a year ago and firms identified by the VA as not meeting the statutory standard of ownership and control.

How long do you think it is appropriate to take debarment action against a firm that has been found to willfully misrepresent its status?

Mr. WILSON. Mr. Chairman, I would like to ask Mr. Frye to respond to that question, please.

Mr. STUTZMAN. Okay. Yes, sir. Mr. Frye.

Mr. FRYE. Thank you, Mr. Chairman, for that question. I would like to state for the record that we have taken action against a number of firms who have misrepresented themselves and mischaracterized themselves as veteran-owned service-disabled or veteran-owned small businesses. To date, we have debarred three firms and five individuals. We have five firms who are referrals in the queue. And we have one firm and one individual that have been proposed for debarment. And I would characterize this number as large. I have been in the VA for 5½ years in my role as a senior procurement executive, and I can tell you that debarments outside of Public Law 109-461 have been minuscule. I have not done, I think, more than three debarments outside of this public law. So we have been very actively engaged in debarring those firms who have misrepresented themselves.

Mr. STUTZMAN. What is a typical debarment? How long of a time are they not able to do contracting work?

Mr. FRYE. Well, I can give you an example. My staff told me that it took 105 days, workdays, to debar one firm. So that is an example of how long that it sometimes takes. We do give them a chance to represent themselves. We give them a chance to have attorneys represent them, to present their case, and take all factors in account before we debar them.

Mr. STUTZMAN. Once they are debarred, though, how long were they debarred from doing any contract work?

Mr. FRYE. In the case of—let me see here, we imposed a 5-year period on two firms and four individuals. So they got the maximum 5-year period. We imposed a 6-month debarment period on one firm and one individual.

Mr. STUTZMAN. Okay. People do things like this, go set up a different firm, and continue work a different way. Are we following through and making sure that we are not doing business with those folks?

Mr. FRYE. Yes, Mr. Chairman, that is exactly why we debar the individuals as well as the firm. We want to make sure that the individual doesn't pull up stakes, roll the tent up, move it someplace else, and start another firm under another business name.

Mr. STUTZMAN. Okay. Because I just think if somebody does something like this it is just a despicable act. To take advantage of the situation, people like that should not be in business, frankly. I appreciate what you are doing, but I think that really this is important, that especially in times like this, when we are asking more folks to be competing with one another in the private sector, that people are taking advantage especially of our veterans' circumstances and the situation that they are in.

With that, I will turn to Mr. Braley for his questions.

Mr. BRALEY. Thank you, Mr. Chairman. Mr. Frye, I want to follow up with you on that point. Is it your opinion that H.R. 1657 is a solution in search of a problem, or is there a widespread problem that the current solutions are not properly addressing?

Mr. FRYE. I wouldn't characterize it the way you have, Mr. Braley. What I would say is that the VA's authority is limited to VA contracts. Right now we have no authority to debar firms except those who fall under Public Law 109-461. That is the way I would characterize it. So if someone violates the rules outside the VA, we don't have the authority to move in and debar them from government contracts elsewhere.

Mr. BRALEY. So for example, if a veteran-owned business working under the jurisdiction of the U.S. Small Business Administration (SBA) and its programs were to participate in conduct that would be similar to what we are talking about here, you would not have a remedy to pursue that?

Mr. FRYE. That is correct, sir.

Mr. BRALEY. Have you had conversations with people at SBA about the common interest you have in eliminating this practice and what type of joint enforcement efforts could be employed?

Mr. FRYE. I don't believe we have had any in-depth conversations. We talked about it, but no in-depth conversations that I know of.

Mr. BRALEY. All right. Thank you. Mr. Wilson, in dealing with the issues we were talking about on H.R. 1383, is it your testimony that this is a timing problem or an implementation problem in terms of the proposal as it exists now? In other words, is this something if it wasn't for the demands of the rapidly approaching fall academic year that could be addressed within the confines of the legislation?

Mr. WILSON. Timing is the issue. We have created a very robust tool, not fully deployed, but we are processing all of the claims in the system right now that does allow us flexibility. But if the calendar doesn't cooperate, there is not much we can do. The challenge we have right now is timing. We have completed the development cycle for what we need to implement for Public Law 111-377, that it impacts the fall enrollment on August 1. We are in user ac-

ceptance testing for that now. We deployed that on June 7. We begin processing fall enrollments on June 7. We do that so that there is not a backlog come August, September. Being able to squeeze any more development work in between now and then is just simply not possible. There are just not enough hours in the day to do it.

Mr. BRALEY. As I listened to your testimony, I got the impression that your primary concern was the unintended consequences that a well-intended bill might have the actual impact of denying well-deserving benefits that they should be getting simply because of the challenges of addressing the implementation. Is that correct?

Mr. WILSON. I think that is a fair characterization. Impacting our ability to pay benefits timely is a very major concern. And most of our students are completely dependent on their monthly check from VA to stay in school. If they are not paid timely, they can't stay in school.

Mr. BRALEY. You also talked in your testimony about the issue of a blended set of rules. Can you elaborate on the problem of applying a blended set of rules?

Mr. WILSON. The blended set of rules, if the bill is enacted the way it is with the timeline, would require our claims examiners to manually look at these calculations. In other words, they would be looking at computer screens, and they would be making manual determinations on what would actually be paid. The calculations that exist in the system right now would no longer apply to the students of private schools in those seven States. So they would basically have to create something where they are actually doing math, you know, stubby pencil math to figure out whether the amount of tuition and fees paid would be something less than the \$17,500, something more than the \$17,500, and then factoring in the Yellow Ribbon payments if there is a Yellow Ribbon school at all as well. So there are several things that they would have to apply their gray matter to do. Our folks are very smart, they can do that, but it takes time. And that is the challenge is the time it would be taking us to do that during the fall semester, when we will have hundreds of thousands of people who need to be paid timely.

Mr. BRALEY. Thank you. I see my time has expired. I yield back.

Mr. STUTZMAN. Mr. Johnson.

Mr. JOHNSON. Thank you, Mr. Chairman. Mr. Wilson, you have actually enlightened me a little bit, because I have had some concerns about the claims processing for quite some time. In your testimony, you indicate that you are opposed to H.R. 1383 because of the effect that it would have on processing times and the long-term IT solution. What do you mean by the long-term IT solution?

Mr. WILSON. When the Post-9/11 GI Bill was originally enacted in 2008, signed into law in June 2008, VA had 13 months to set up a payment system. The payment tools and processing tools that we had in place at the time were structured fundamentally differently than the variables we had to account for in the Post-9/11 GI Bill. Basically speaking, Montgomery GI Bill and the other programs paid a single payment to the student based on a flat rate. The Post-9/11 GI Bill has several factors that vary depending upon the individual's situation. So we are paying a total benefit amount that is unique to each individual. We didn't have a payment system

to do that. What we set up was a two-track effort, the first track being do the minimum that we have to so that we can meet the initial timeline in 13 months and begin paying. We went very heavy on additional staff to support that model. But also what we developed at the same time was a completely new automated payment and processing tool so that we could continue to pay people timely without a heavy reliance on individuals. So we have deployed four phases of that long-term payment system. The completion of that long-term payment system, though, was put on hold so that we can change it to calculate the new payments that are required under Public Law 111-377.

Mr. JOHNSON. One of the concerns that I have had through our different Committee, Oversight and Investigations, is asking for a view of the architecture of VA's IT systems. You know, correct me if I am wrong, but your job, the VA's job is to care for our veterans. Would it be an accurate statement to say that saying our IT systems are inadequate to allow us to do that and to respond quickly, do you find that an acceptable answer?

Mr. WILSON. I would hesitate to provide a response as broadly as the manner in which your question was put to me. What I can tell you is that for the Post-9/11 GI Bill we did not have adequate tools. Now, what I will also say is that the relationship we, the business providers in the Veterans Benefits Administration and elsewhere in VA, specifically the information technology organization have done to stand up this new architecture that we have, has been phenomenal. We have used an agile development methodology. We went from absolutely nothing to a fully deployed system within about 18 months. And it is a system that works. It is a system that provides the payment tools that we need. It is not completely done because we have had to change it to support the new legislation. But our users like it. It is a 21st Century tool. And I do know that our IT environment is using the lessons learned from chapter 33 to apply to the other developments that are underway.

Mr. JOHNSON. But my background as a chief information officer in corporate America, and 30 years in IT, agility means you are putting in a system that is easily adaptable, easily modifiable. But what you are telling me here is that it is not.

Mr. WILSON. I believe in fact it is. What I would say is that regardless of how agile you set up a system, and the system that we are setting up for the Post-9/11 GI Bill, which again is not completely done but will be, is 21st century technology. It is leading-edge technology. But regardless of how agile that is, if we are not given the calendar time to be able to modify it without a significant level of risk, we are going to have an abundance of concern. The time frame that we are dealing with here leads us to believe that we are on the path of potentially impacting the fall enrollment negatively. And that is a risk we are not prepared to accept. It is a challenge.

Mr. JOHNSON. I am sorry, Mr. Wilson, for cutting you off. I am out of time. Agility in the IT industry means the ability to quickly change. So you still haven't clarified for me. You keep saying that regardless of how agile it is, without the requisite amount of time to change it to incorporate these new rules, we are still behind the power curve. If that system were truly 21st century technology,

with agility built in, you wouldn't be having these problems, and the veterans throughout America and all the veterans organizations would not be screaming about the processing backlog.

Mr. Chairman, I yield back.

Mr. STUTZMAN. Thank you. I want to make just a couple of comments and ask a couple of other questions. If the gentlemen have any other further questions, we will probably be out of here in just a couple of minutes. But I agree with what Mr. Johnson was just saying. This can't be that difficult. How many more employees did the VA hire to implement the new GI Bill?

Mr. WILSON. About 1,100.

Mr. STUTZMAN. One thousand, one hundred. What are they doing now?

Mr. WILSON. They are processing claims right now.

Mr. STUTZMAN. I mean they have been doing this for some time, right?

Mr. WILSON. Yes, they have.

Mr. STUTZMAN. So is there any way that they could—it seems like we have a workforce there that could adapt and adjust here.

Mr. WILSON. And that is what we will be using. Our original plan was to move from a very heavily human-based process into a more automated process. We are continuing to move in that direction. But because of the new changes under P.L. 111-377, we need to keep those people on board until we fully deploy. The challenge is we have never had the opportunity to fully deploy the system yet, even though we have had four releases, we have moved mountains, and accomplished a lot in 18 months. It was a huge undertaking. And I believe we have done a very good job at meeting that undertaking. We do not have a claims backlog in the education area, despite what was mentioned earlier. We have very sound processing times. Students are being served. And I want to make sure that that is clear. And we want to be able to continue to provide that level of service.

Mr. STUTZMAN. Right. Absolutely. I agree and applaud that is being done. I want to go back to the Small Business Enforcement Act. Once a business or individual has been put on the debarment list, are they put on the excluded parties list?

Mr. FRYE. Yes, Mr. Chairman, they are put on the excluded parties list once they are debarred.

Mr. STUTZMAN. Okay. So they are not showing up anywhere else. We want to make sure they are not doing business with the government. Is that right?

Mr. FRYE. They should not do business with the government. If the contracting officers do their job, their job is to look at the excluded parties list before they award any contract. They should not be doing business with the government.

Mr. STUTZMAN. Okay. Very good. All right. Mr. Braley, any further questions?

Mr. BRALEY. No.

Mr. STUTZMAN. Okay. Thank you to the panel. And thank you for being here. I am looking forward to working with you on this. I know we will be communicating some more. Mr. Braley, you have any further comments to make?

Mr. BRALEY. No.

Mr. STUTZMAN. Mr. Connolly, again thank you very much for being here. Your testimony was very powerful, and helps all of us. It makes a big difference when people from back home experience travel to DC. I know it is not an easy thing to do, but we are really glad you are here. And thank you to Mr. Wilson, Mr. Frye, and Mr. Brizzi for being here as well.

So with that we will conclude today's meeting, and we are adjourned.

[Whereupon, at 2:55 p.m., the Subcommittee was adjourned.]

A P P E N D I X

Prepared Statement of Hon. Marlin A. Stutzman, Chairman, Subcommittee Economic Opportunity

Good afternoon. Today, we will be taking testimony on H.R. 1383 the Restoring GI Bill Fairness Act of 2011, sponsored by Chairman Miller and myself, H.R. 802 sponsored by Ranking Member Filner, H.R. 1671 sponsored by Ranking Member Braley, and H.R. 1657, a bill to improve VA's enforcement of service disabled veteran-owned small business contracting, which I introduced. Our intent is to hold a Subcommittee markup this Thursday followed by a full Committee markup on May 12.

H.R. 1383, the Restoring GI Bill Fairness Act of 2011, is a bill that would grandfather veterans attending private schools who were adversely affected by the changes to the GI Bill that passed at the end of last congress. I am glad that we are able to make this fix to help veterans in the seven States that would see their tuition and fees payments reduced all without increasing the deficit due to the inclusion of an offset. I see by their testimony that VA has some objections to the bill and I hope we can work through those concerns.

H.R. 1657, is a bill I introduced that is designed to debar companies who have fraudulently claimed to be a service disabled veteran owned small businesses from doing business with VA. For too long legitimate SDVOB's have lost contracts to these fraudulent companies, and I hope that the prospect of debarment for 5 years will be the deterrent we need to stop this despicable practice.

I would ask all of today's witnesses to summarize your written statement within 5 minutes and without objection, each written testimony will be made part of the hearing record.

Before we begin with testimony, I now ask unanimous consent to have statements from the Vietnam Veterans of America, the Gold Star Wives, and the Paralyzed Veterans of America entered into the record. Hearing none, so ordered.

I now yield to the distinguished Ranking Member from the great State of Iowa for any remarks he may have.

Prepared Statement of Hon. Bruce L. Braley, Ranking Democratic Member, Subcommittee on Economic Opportunity

Today's legislative hearing includes four bills before us that address some of the urgent needs of our veteran's population. These bills: provide education benefits; extend temporary adaptation grants for our disabled veterans; recognize small businesses for their contribution to employing veterans, and; penalize fraudulent veteran owned small businesses.

Included in today's hearing is H.R. 1671, the *Andrew Connolly Veterans' Housing Act*, which I introduced yesterday. This bill seeks to extend the Temporary Residence Adaptation (TRA) grant through December 2016. The TRA permits the Secretary of Veterans Affairs, to award a grant to a service-disabled veteran who is temporarily residing in a residence owned by a member of the veteran's family and make adaptations necessary to meet the veteran's mobility needs.

Currently the legislation is set to terminate on December 31, 2011, which is why I am extending this to December 31, 2016. This grant is important to service-connected veterans who return home with devastating injuries. These veterans need a caretaker while they rehabilitate, and these caretakers are generally family members. In order to provide disabled veterans with the independence they need while they recuperate, different types of adaptations need to be made to a family's home while the veteran temporarily lives with them.

Finally, I would like to recognize Andrew Connolly, a disabled veteran who has received a specially adaptive housing grant and is here to talk about how this grant has impacted his life. Andrew served in both Egypt and Iraq as part of the Iowa

Army National Guard's 133rd Infantry and is visiting us today from my district. I would like to thank him for traveling from Iowa to be here today and for his continued service by fighting for veteran issues.

I would like to thank all our panelists and I look forward to receiving feedback on the bills before us today.

Prepared Statement of Hon. Bill Johnson

Thank you Mr. Chairman,

I am pleased for this opportunity to discuss legislation intended to advance education and employment opportunities for our Nation's veterans. I would also like to thank members of the veterans' service organizations and the VA for being here today and sharing your views and recommendations on H.R. 1383, H.R. 802, H.R. 1657, and also Ranking Member Braley's legislation regarding specially adaptive housing assistance.

As I've stated before, I strongly believe that veterans are the segment of society that most deserves our sincere gratitude and assistance. It is our responsibility to ensure that veterans returning home are made aware of the benefits they are entitled to, and that they receive the necessary assistance to ease their transition back to civilian life and the workforce.

It is my hope that veterans take advantage of the educational programs and opportunities offered by the VA. The Post-9/11 GI Bill is intended to aide veterans in achieving their educational goals by assisting with tuition and fees, housing, and books and supplies.

However, it is also important that changes made to the benefits offered to our veterans are not done so in a harmful manner. H.R. 1383, introduced by Chairman Miller, would temporarily preserve higher rates for tuition and fees for non-public education programs so that students, who had previously been guaranteed higher tuition payment rates than those currently specified in the Post-9/11 Educational Assistance Program, will not face a reduction in tuition and fees paid by the VA on their behalf. It is necessary that these students finish their degree with the benefits they were entitled to when they began their education program.

Today, we will also discuss H.R. 802, legislation that would establish the VetStar Award Program to recognize businesses for their contributions to veterans' employment. While this legislation will not solve the issue of high rates of veteran unemployment, it is my hope that H.R. 802 will encourage more businesses to hire veterans.

Additionally, H.R. 1657 will ensure that government contracts intended for veteran-owned or service-disabled veteran-owned small businesses will be awarded correctly. Veterans possess a unique perspective that only those who have served our country can offer. It is unconscionable for small businesses to falsely claim to be veteran-owned and take away contracts intended for those who have served and sacrificed for our country.

I welcome this opportunity to further discuss each of these bills with my colleagues in addition to the veterans' service organizations and VA members who are present.

Prepared Statement of Christina M. Roof, National Acting Legislative Director, American Veterans (AMVETS)

Chairman Stutzman, Ranking Member Braley and distinguished Members of the Subcommittee, on behalf of AMVETS, I would like to extend our gratitude for being given the opportunity to share with you our views and recommendations regarding H.R. 1383, H.R. 802, H.R. 1657 and Ranking Member Braley's piece of legislation regarding Specialty Adaptive Housing.

AMVETS feels privileged in having been a leader, since 1944, in helping to preserve the freedoms secured by America's Armed Forces. Today our organization prides itself on the continuation of this tradition, as well as our undaunted dedication to ensuring that every past and present member of the Armed Forces receives all of their due entitlements. These individuals, who have devoted their entire lives to upholding our values and freedoms, deserve nothing less.

Given the fact this testimony will be addressing several pieces of legislation, I shall be addressing each piece of legislation separately, as to make AMVETS testimony clear and concise on the individual subject matters of the bills.

AMVETS supports H.R. 802, to direct the Secretary of Veterans Affairs to establish a "VetStar Award Program." AMVETS believes with the disproportionately high unemployment of our veteran community compared to that of their civilian counter-

parts, employers who actively seek out and employ veterans deserve to be recognized for their contributions to our veterans community. Furthermore, the VetStar Award Program stands to serve as a motivator for other companies to actively seek out and employ veterans. We must take all necessary actions to address and immediately rectify the problem of unemployment that is plaguing today's veterans. AMVETS believes H.R. 802 is another step in the right direction at doing just that. AMVETS again lends our support to H.R. 802.

AMVETS supports H.R. 1383, to temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs before the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, and for other purposes. AMVETS believes this will allow for students currently enrolled in non-public institutions of higher learning the opportunity to finish their degree without any undue financial burden or stress. While we applaud Chairman Miller for introducing this piece of legislation, we feel we would be doing a disservice to our membership if we did not bring up our concerns on the new system of which veterans will receive their monthly living stipends under the new Post-9/11 Educational Assistance Program of the Department of Veterans Affairs enacted in late 2010. AMVETS believes many veterans utilizing their educational entitlements under the Post-9/11 GI Bill will be caught off guard and experience undue financial hardships during the periods of time between college semesters. While AMVETS strongly supports H.R. 1383, we urge the Chairman and this Subcommittee to address what AMVETS believes will be a large problem, the living stipend distribution for the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs, as amended in late 2010.

AMVETS supports H.R. 1657, to amend title 38, United States Code, to revise the enforcement penalties for misrepresentation of a business concern as a small business concern owned and controlled by veterans or as a small business concern owned and controlled by service-disabled veterans. AMVETS applauds Congressman Stutzman for writing a bill that is long overdue and very much needed, in order to protect Veteran Owned Small Businesses (VOSB) and Service Disabled Veteran Owned Small Businesses (SDVOSB). AMVETS has long called upon Congress to revise and enforce penalties for misrepresentation by a business concern as being a VOSB or SDVOSB. AMVETS finds it reprehensible that any individual or business entity would knowingly and purposefully take contracts and jobs away from veterans, as well as blatantly defraud the Federal Government. AMVETS believes H.R. 1657 will not only strengthen, but help enforce penalties that have been long in place, yet severely underutilized by numerous Federal agencies. If VA and the Federal Government are truly dedicated to protecting the integrity of the Federal procurement system, as well as the veteran entrepreneurial community, AMVETS urges the swift passage of H.R. 1657. Furthermore, AMVETS calls upon this Subcommittee to focus a substantial amount of their time during the 112th congress to finally closing all of the loopholes within the VA procurement system and to pass laws that will once and for all rid the Federal procurement system of fraudulent businesses unlawfully taking contracts and jobs from veterans. It is important to remember that due to the high unemployment rates, veterans are turning to entrepreneurship at rates this country has not seen since WWII. Given this fact, now more than ever, VOSBs and SDVOSBs must have a fair chance in a successful Federal procurement and acquisitions system. AMVETS again lends our strong support to H.R. 1657.

AMVETS supports H.R. TBD, the "Andrew Connolly Veterans' Housing Act." This piece of legislation will amend title 38, United States Code, to extend the authority of the Secretary of Veterans Affairs to provide specially adapted housing assistance to individuals residing temporarily in housing owned by a family member. Thousands of disabled veterans and their families depend on these funds to sustain their quality of life and independence. Given the rate at which our Nation's war fighters are returning from our current conflicts, with debilitating and life changing injuries, AMVETS would like to see the Committee go a step further and look into extending this program past 2016, as outlined in Section 2102(A) of title 38, United States Code. We have an obligation to care for those who return from war in a state different from that of which they left for war in. Furthermore, given the current state of our Nation's economy many disabled veterans and their families are having to turn to the support of family members for temporary housing. Again, AMVETS lends our support to Congressman Braley's bill, the "Andrew Connolly Veterans' Housing Act."

Chairman Stutzman and distinguished Members of the Subcommittee, AMVETS would again like to thank you for inviting us to share with you our opinions and

recommendations on these very important pieces of legislation. This concludes my testimony and I stand ready to answer any questions you may have for me.

Prepared Statement of Tom Tarantino, Senior Legislative Associate, Iraq and Afghanistan Veterans of America

Mr. Chairman, Ranking Member, and Members of the Committee, on behalf of Iraq and Afghanistan Veterans of America's 200,000 Member Veterans and supporters, I thank you for inviting me to testify at this hearing to share our members' views on these important issues.

My name is Tom Tarantino and I am the Senior Legislative Associate with IAVA. I proudly served 10 years in the Army beginning my career as an enlisted Reservist and leaving service as an Active Duty Cavalry Officer. Throughout those 10 years, my single most important duty was to take care of other soldiers. In the military, they teach us to have each other's backs. Although my uniform is now a suit and tie, I am proud to work with this Congress to ensure the entire country has the backs of America's servicemembers and veterans.

Bill #	Bill Name/Subject	Sponsor	Position
H.R. 802	VetStar Award Program	Filner	Support
H.R. 1383	Restoring GI Bill Fairness Act of 2011	Miller	Support
S. 1657	Misrepresentation of Service Disabled Owned Small Business	Stutzman	Support
H.R. DRAFT	Andrew Connolly Veterans Housing Act	Braley	Support

H.R. 802—VetStar Award Program

IAVA conceptually supports the establishment of a program to recognize businesses that contribute to veterans' employment. While we endorse H.R. 802, however, IAVA has concerns about what this specific program will look like, how it plans to recognize such businesses and what effect it will have lowering the rising veteran unemployment rate. While a VetStar program certainly couldn't hurt, we remain skeptical that this is the most effective course of action for Congress to take at this stage.

In 2010, the unemployment rate for new veterans was a staggering 11.5 percent. Even as the civilian unemployment rate begins to decline, we continue to see the new veteran unemployment rate rise month-to-month in 2011. With less than half a percent of Americans fighting in the current wars and only 8 percent of Americans having ever served in the military, it is critical that we bridge the widening gap between the civilian workforce and our Nation's veterans. IAVA believes that more proactive measures need to be taken if we are to turn the tide on veteran unemployment.

Several weeks ago, IAVA brought 28 Iraq and Afghanistan veterans from around the country for our annual Storm the Hill campaign to discuss solutions for reducing the veteran unemployment rate by Veterans Day 2011. Meeting with 117 offices and 57 Members of Congress, we proposed the following policies to reverse the growing number of unemployed veterans:

1. Order a study and report on the differences between military certifications, jobs, and education and those for civilian counterparts.
2. Make the TAP program mandatory and call for a review of the program every 3 years.
3. Make USERRA violations enforceable, and expand USERRA to include in-state National Guard deployments.
4. Encourage entrepreneurship by expanding successful Small Business programs like the Patriot Express Loan Program and the Veteran Entrepreneurship Bootcamp.
5. Encourage business to hire veterans by simplifying and enacting a robust tax relief package.

I am proud to report that our suggestions met with almost universal support. Many Members of the House, especially those sitting in this room, stepped up and are working on legislation that will reduce the number of veterans coming home from war to an unemployment check. I look forward to testifying at a future legisla-

tive hearing on those bills, and reporting to IAVA's 90,000 Member Veterans that Congress has their back.

H.R. 1383—Restoring GI Bill Fairness Act of 2011

IAVA proudly supports H.R. 1383. This bill will ensure that a small minority of veterans who, due to poorly constructed and confusing tuition and fee regulations, would have had their benefits reduced as a result of the Post-9/11 GI Bill's expansion to 400,000 more veterans will be able to finish College.

The House of Representatives wisely included this provision in their version of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010. The provision, however, was excluded from the final version that the President ultimately signed into law. IAVA fought hard to ensure that this small minority of student veterans would not be negatively impacted by the improvements and expansion of the Post-9/11 GI Bill. On behalf of our members and those student veterans, I would like to thank this committee for their commitment to ensure that these student veterans are not left behind.

H.R. 1657—Misrepresentation of Service Disabled Owned Small Business

IAVA supports H.R. 1657, strengthening the penalties that small businesses may incur if they misrepresent themselves as veteran-owned or service disabled veteran-owned small businesses when seeking government contracts.

Promoting veteran entrepreneurship is key to fighting the growing tide of veteran unemployment. Small businesses that falsely claim to be veteran-owned when applying for government contracts harm veterans who provide essential services and contracts to the Federal Government. This bill provides clarity on the penalties that may be levied against those businesses if they take contracts away from veteran entrepreneurs.

Draft Legislation—Andrew Connelly Veterans' Housing Act

IAVA proudly supports this draft legislation that would extend the authority of the Secretary of Veterans Affairs to provide adaptive housing benefits to veterans who are recovering from injuries at the home of a caregiver through 2016.

For the thousands of veterans returning home from Iraq and Afghanistan with severe injuries, the recovery process is often long and arduous. Many of them require constant care from a family caregiver for years after they leave service. During this time, they frequently reside in a home that is not their own and not a permanent residence where they may live on their own after recovery. Adaptations, like ramps and elevators, must often be made to their permanent home and that of their caregiver while they are recovering from their injuries. While the VA does provide grants for adaptive housing, the benefit is largely based on the assumption that wounded warriors are living in their permanent home. Section 2102A of Title 38 allows the VA to issue a separate grant to adapt the temporary homes of recovering veterans; however, it is set to expire at the end of this year. By extending this program to 2016, Congress can show their strong support for those veterans who have made the most extreme sacrifices for our freedom.

Conclusion

I would like to thank this committee for continuing to support Iraq and Afghanistan veterans and their families. By ensuring that these bills are swiftly made law, we will continue to send a signal to veterans of all generations that Congress and the veterans' community has their back. Thank you for your time and attention.

Prepared Statement of Shane Barker, Senior Legislative Associate National Legislative Service, Veterans of Foreign Wars of the United States

Mr. CHAIRMAN AND MEMBERS OF THIS COMMITTEE:

On behalf of the 2.1 million members of the Veterans of Foreign Wars of the United States and our Auxiliaries, the VFW would like to thank this committee for the opportunity to present its views on these bills.

H.R. 802, to direct VA to establish a "VetStar" Award program.

The VFW applauds the idea behind H.R. 802, which would recognize businesses for their contributions to veterans' employment, but believes that funding to establish criteria and to promote this type of program would also be needed. In establishing a "VetStar" award, outreach would have to be increased within the private sector to encourage employment opportunities for veterans, something that the Department of Labor's Veterans Employment and Training Service (VETS) would be

better suited to provide. Also, VETS, under its array of programs, has access to private and public sector employment data, which would allow them to verify and acknowledge companies that take the initiative in employing and promoting veterans.

H.R. 1383, The Restoring GI Bill Fairness Act of 2011

The VFW greatly appreciates Chairman Miller's initiative in introducing this legislation. It addresses what is perhaps the most harmful deficiency with the current Post -9/11 GI Bill—that is, the lack of a “hold harmless” provision to ensure that students are not saddled with debt or out-of-pocket expenses as a result of changes in tuition payment rates set to take effect this August.

Over the past 2 years, many students chose a particular degree program with the expectation that the Yellow Ribbon Program they began with would still be there when they completed their degree. Changes made to the Post-9/11 GI Bill last year, positive as they were, made significant changes specific to the Yellow Ribbon Program without protecting current students from the impact. Many could find themselves making the choice between transferring schools or paying hefty tuition bills if they choose to remain. H.R. 1383 would preclude changes made to the Yellow Ribbon Program for students who were already working on their degrees. This is good legislation and the VFW strongly supports it.

H.R. 1657, to amend title 38, United States Code, to revise the enforcement penalties for misrepresentation of a business concern as a small business concerned owned and controlled by veterans or as a small business concern owned and controlled by service disabled veterans.

VFW supports H.R. 1657, as it would provide a more robust reinforcement of laws for the misrepresentation of small businesses owned and controlled by service-disabled veterans. Provisions in the bill include harsher penalties and protections for service-disabled and veteran owned businesses involved in contracting, as well as increased oversight into the process. We also believe that this bill would be a step forward in encouraging positive action with regard to veterans' preference in contracting.

DRAFT Bill, to amend title 38, United States Code, to extend the authority of VA to provide specially adapted housing assistance to individuals residing temporarily in housing owned by a family member.

VFW supports the reauthorization of this critical benefit. Through VA's adaptive housing grant program, hundreds of our most severely injured veterans have been given an opportunity to ease back into civilian life while gaining some sense of independence as they recuperate under the care of a family member. With the ongoing wars in Afghanistan and Iraq, it is important to continue providing a benefit that significantly improves the lives of our severely injured veterans. By extending the grant program through December 31, 2016, you will increase the flexibility of the benefit while making a difference in the quality of life for many disabled veterans and their families.

Mr. Chairman, this concludes my statement. I would be happy to answer any questions that you or the Members of the Committee may have.

Prepared Statement of Robert Madden, Assistant Director, National Economic Commission, American Legion

EXECUTIVE SUMMARY

H.R. 1383: The American Legion understands the unintended consequences of the passage of the Post-9/11 Fix-it Bill in 2010 and the need to address those in legislative language during the 112th Congress. H.R. 1383 accomplishes part of what the American Legion sees that needs to be remedied yet it does include addressing the role of the State Approving Agencies, interval pay and addition of out-of-state tuition for public school students.

H.R. 802: The American Legion supports this legislation. The bill recognizes those companies that hire and retain veterans. It serves as an incentive to promote veterans' employment and provides awareness for those who have fought so bravely for this country.

H.R. 1657: The American Legion supports this legislation. The ability of Service Disabled Veteran Owned Small Businesses (SDVOSB) to gain Federal contracts is distracted by fraud and abuse by those who have decided not to follow the rules. SDVOSB owners have sacrificed for their country and are provided with a gateway into the Federal contracting world. Those who choose to swindle the system should

be appropriately disqualified and punished, without creating more of a bureaucratic process for legitimate service disabled veterans who own businesses.

Draft Legislation: The American Legion supports this legislation. Adaptive housing assistance is vitally important in light of the continuing numbers of disabled servicemembers returning from combat zones as the United States engages in action on multiple fronts overseas. This aid cannot be allowed to sunset, and therefore the extension to this aid is needed and supported by The Legion.

Thank you for the opportunity to submit these opinions of the American Legion on these issues.

Mr. Chairman, Ranking Member Braley, and Members of the Subcommittee:

Thank you for this opportunity to present The American Legion's views on the several pieces of legislation being considered by the Subcommittee today. The American Legion commends the Subcommittee for holding a hearing to discuss these very important and timely issues.

H.R. 1383, Restoring GI Fairness Act of 2011, To temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs before the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, and for other purposes. With the many changes recently made to the Post-9/11 GI Bill unintended consequences need to be remedied through the legislative process. While this bill helps address one of those issues relating to the benefits offered veterans attending private schools, it falls short in addressing those other issues. Therefore, The American Legion stands firmly committed to ensure every group somewhat affected by the most recent changes should be included in all encompassing legislative change.

The American Legion requests Congress add the following provision and issues to address all the needs of returning veterans and their access to education benefits entitled to them:

- grandfathering in the private schools (as addressed in this legislation) but also admitting those who attend out-of-state public universities who fall under the same \$17,500.00 cap;
- addition of interval pay to include those months when veterans are between semesters yet in need of the housing allowance to meet their financial responsibilities, and;
- addressing the role of State approving agencies in verifying veteran-friendly programs that are specific for the demographic.

The American Legion's views are established in a consensus that all veterans are entitled to certain education benefits that will enable them to continue moving forward, in terms of their success, and we should continue to increase their accessibility and not eliminate any portion that might affect their sustainability in attaining a higher education.

H.R. 802, seeks to direct the Secretary of Veterans Affairs to establish a VetStar Award Program. *The American Legion supports this legislation.* The American Legion believes in rewarding those small, medium and large businesses that contribute to the welfare of veteran employment. Veterans hire veterans. When possible, it is imperative that businesses that hire and retain veterans should be recognized for their continued contribution to the country. The American Legion currently provides recognition for businesses that hire veterans and would wholeheartedly agree, through the success of our own program, this type of behavior should be rewarded. Programs such as the VetStar Award shed light into the immense work done by American businesses and contribute to other companies realizing their own veteran hiring potential.

H.R. 1657, To amend title 38, United States Code, to revise the enforcement penalties for misrepresentation of a business concern as a small business concern owned and controlled by veterans or as a small business concern owned and controlled by service-disabled veterans. The ability of a Service Disabled Veteran Owned Small Business (SDVOSB) to gain government contracts is a right, not a privilege. *The American Legion supports H.R. 1657.* The minimal oversight and protection for SDVOSB needs to come to an end. Time after time, Federal agencies are allowing fraudulent individuals to gain contracts intended for a SDVOSB or after the award of a contract discovering the "SDVOSB company" was not run or owned by a service disabled veteran. In a report submitted in 2009, the Government Accountability Office estimated over \$100 million was awarded to ineligible firms who stated they were SDVOSB. This information and number is only from a 10-case study. In addition, the GAO report cited that "agencies show that significant control

weaknesses in the SDVOSB program allow ineligible firms to receive millions in SDVOSB contracts. The lack of effective fraud-prevention controls by SBA and agencies awarding contracts allowed these ineligible firms to receive approximately \$100 million of sole-source or set-aside SDVOSB contracts over the last several years."

This lack of prevention only goes to undermine the significant impact that SDVOSB can have in the government contracting realm. We must prevent this abuse and fraud, maintaining the ease of accessibility for self-certification, and ensure growth and success for the legitimate SDVOSB.

Draft legislation, *The American Legion supports this legislation.* Adaptive housing assistance is vitally important in light of the continuing numbers of disabled servicemembers returning from combat zones as the United States engages in action on multiple fronts overseas. This aid cannot be allowed to sunset, and therefore the extension to this aid is a needed and supported by The Legion.

The American Legion appreciates the opportunity to present this statement. Again, thank you Mr. Chairman, Ranking Member Braley, and Members of the Subcommittee for allowing the American Legion to present its views on these very important issues today.

Prepared Statement of Andrew Connolly, Dubuque, IA

First off, I would like to thank Chairman Stutzman and Ranking Member Braley for holding this important hearing today.

My name is Andrew Connolly. I currently reside at 2820 Illinois Avenue in Dubuque, Iowa. I served in the United States Army National Guard from November, 2000 to August, 2007. During my time of service I completed two tours. The first tour took place in the Sinai Peninsula, Egypt from May, 2003 to January, 2004. The second tour of duty was a combat mission in the Al Anbar Province, Iraq from October, 2005 to August, 2007. Our mission in Iraq was convoy security. During the 16 months in Iraq, my unit transported goods to most all of the western allied bases. Our largest enemy threats were the improvised explosive devices (IED's). I personally encountered many IED's near my vehicle, and experienced one direct hit, which took place on March 9, 2007. The blast report from the explosive ordinance disposal team verified it to be a pressure plate land mine with approximately 15 pounds of PE4. My team and I suffered minor injuries and concussions from the blast.

After completing my tour in Iraq, I immediately returned to work and enrolled in school. I tolerated wear and tear on the body figuring that the pains and weird feelings would go away. After serving in Iraq, my disability ratings varied for different parts of my body. My back and knees bothered me quite a bit while in Iraq, which is documented in my medical files. A little over a year after my return, I noticed numbness in my right foot. I thought that I had just tweaked something in my back due to the injuries that had occurred while overseas.

After a couple of months of having this irritating numbness, I consulted with the VA Hospital in Iowa City and they ordered an MRI right away. Following the MRI the neurologist suggested that I come in for a consultation the next week. It was early February, 2009 and I was struck with some devastating news. The neurology doctor at the VA closed the door behind him and proceeded to tell me that I had a slow growing, small mass located within my spinal cord and he was 90 percent sure it was malignant. A spinal cord biopsy was scheduled for 2 weeks later. The results came back positive for cancer and treatment options were offered. At this time I had a million things rushing through my mind, the first being, "How long do I have?" Next was, "How am I going to get through this financially?" The neurologist reported that the tumor was service-connected, and most likely contributed to the pain and discomfort I suffered while on active duty.

At the time, I owned a top-bottom duplex built in 1890. Fortunately, my family and I occupied the lower unit. Unfortunately, it was not handicapped-accessible. My condition rapidly deteriorated and complicated our family situation. My son Brody was born on July 31, 2008, with a neuromuscular disorder called congenital myasthenic syndrome. This disorder affects all of my son's muscles, thus causing dependence on a ventilator 24 hours-a-day. He too will need to be in a wheelchair for the rest of his life.

I started radiation and followed up with chemotherapy. I am still taking chemotherapy and probably will until I can no longer tolerate it or I move on. As the year 2009 went on, the right side of my body slowly lost feeling. By the time 2010 came around, my left side began to lose feeling, as well. As my body began to dwindle from the nipples down, I investigated military grants for paralyzed veterans. I came across the Specially Adaptive Housing grant and applied for it. I was denied the grant because I was still able to walk at that time. Doctor reports stated that this

type of cancer would leave me paralyzed and no cure existed. I was diagnosed with grade 2/3 anaplastic astrocytoma cancer of the spine. This still did not qualify me for the grant. My legs started to give out on me and I tripped quite often. A wheelchair-bound life was creeping into the picture quite rapidly. My frustration with the VA grew immeasurably and I felt trapped, fighting a losing battle. I was 26, married, and had a beautiful, handicapped child to support. My life spiraled downward. I fit the grant criteria to a "T". Ironically my minimal ability to walk kept it beyond my grasp.

For 7 years, military leaders preached to us, "Prepare, prepare, prepare!" That is exactly what I was trying to do. I was hoping to get the grant paperwork started early so that when the time came and a wheelchair became a permanent part of my life I would be ready. At this time I was unable to afford a proper handicapped-accessible house for my family. In April of 2010, I called Ray Zirklebach, who served with me in both Egypt and Iraq. Ray, an Iowa House Representative in the neighboring county, listened to my story. He too thought something should be done about this situation. He forwarded my email on to Congressman Bruce Braley, who quickly turned around my application paperwork. Within 2 weeks of contacting Representative Ray Zirklebach and Congressman Bruce Braley, I was approved for the grant and a huge weight was lifted from my shoulders.

With the grant approved, I was able to build a house that would be suitable for my family. Construction on our new house began on June 21, 2010, the same time I became wheelchair-bound. Life in our duplex during the construction of the new house was quite miserable, but temporarily manageable.

In August of 2010, I officially became a paraplegic, losing all use, function and feeling below the nipples. At this point, the neurologist decided it was time to try to remove as much of the tumor and spinal cord as possible in an attempt to prolong my life. The surgery itself went perfectly, however, the surgeons were not able to remove the entire tumor without causing me to become a quadriplegic or have respiratory complications. With paralysis, I fell deeper and deeper into depression. The list of tasks that I was able to do around the duplex grew shorter and shorter.

I became so reliant on my wife and others to help me accomplish simple tasks. Taking a shower, for instance, became an hour-long duty that required an extra set of hands and an awkward plastic bench that offered terrible support. I lost all control of bowel and bladder, which made it impossible for me to use the bathroom in my own apartment. Since the duplex was built in 1890, all the doorways and hallways were narrow and produced a knuckle rubbing experience every time I moved to a different room. Cooking, doing the dishes, and even maneuvering around the kitchen became difficult. Life in the duplex was unbearable.

Today I am in my new house. Today I took a shower by myself in a 5' x 5' roll in shower with handicapped controls. Today I cooked my own breakfast because I could reach all of the ingredients. Today I was able to watch my son Brody sleeping in his bedroom because I could roll through his doorway with my wheelchair. Today, I am praying for all soldiers and veterans, that they may have the support and dignity they deserve, without having to jump through hoops, or have a friend in politics. I am where I am today because I had advocates, not because I will ultimately die young as a result of serving the country I love.

Thank you again for holding this hearing. It is my hope the adaptive housing grants program can be extended so that our brave soldiers get the assistance they deserve, so they can live as self-sufficiently as possible.

**Prepared Statement of Keith M. Wilson, Director, Education Service,
Veterans Benefits Administration, U.S. Department of Veterans Affairs**

Good afternoon Mr. Chairman, Ranking Member Braley, and other Members of the Subcommittee. Thank you for the opportunity to be here today to provide the Department of Veterans Affairs' (VA) views on pending legislation affecting VA's programs: H.R. 802, H.R. 1383, H.R. 1657, and a draft bill to authorize VA to provide specially adapted housing assistance to individuals residing temporarily in housing owned by a family member. Accompanying me this afternoon are Mr. Jan R. Frye, Deputy Assistant Secretary for Acquisitions and Logistics, and Mr. F. John Brizzi, Deputy Assistant General Counsel.

H.R. 802

H.R. 802 would require VA to establish a "VetStar Award Program," as well as a process for administering that program, which would recognize businesses for their contributions to Veterans' employment. The program would specify categories

and sectors of businesses eligible for recognition each year and have objective measures for selecting recipients of the award.

VA supports this bill. A program of recognition for contributions to Veterans' employment is a worthwhile means of encouraging businesses to continue to employ Veterans. Businesses that contribute to Veterans' employment provide a valuable and meaningful service, allowing VA to excel with regard to its mission to help Veterans become employable and obtain and maintain suitable employment. This service deserves appropriate recognition. VA would recommend two categories, "small businesses" and "other than small businesses," and three sectors, "non-profit," "service," and "manufacturing, farming and other," of recipients eligible to receive awards. A review board would be created to review nominations and select recipients. Recipients would be recognized with appropriate non-cash award and mementos.

VA estimates that enactment of this bill as written would result in no significant costs. VA estimates nominal costs associated with staff-days to review and select nominations, advertising, verification of winners, and purchasing trophies and plaques.

H.R. 1383

Mr. Chairman, H.R. 1383, the "Restoring GI Bill Fairness Act of 2011," would temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning pursued by individuals enrolled in VA's Post-9/11 Educational Assistance Program as it existed before the enactment of Public Law 111-377, the Post-9/11 Veterans Educational Assistance Improvements Act of 2011. Prior to the passage of Public Law 111-377 on January 4, 2011, individuals using benefits under the Post-9/11 GI Bill at a private institution of higher learning were paid the lesser amount of the established charges (the actual charges for tuition and fees which similarly-circumstanced non-veterans enrolled in the program of education would be required to pay) or the established in-state maximum tuition-and-fee rate at a public institution within that State. With the enactment of Public Law 111-377, individuals pursuing a program of education at a private institution of higher learning for the academic year beginning on August 1, 2011, will be limited to the actual net cost for tuition and fees assessed by the institution, not to exceed \$17,500.

Section 2 of this bill would modify the amount of educational assistance payable to specific individuals to make an exception for those who are enrolled in a private institution of higher learning in certain States. This exception would apply to an individual entitled to educational assistance under the Post-9/11 GI Bill, who, on or before April 1, 2011, was enrolled in a private institution of higher learning in a State in which the maximum amount of tuition per credit hour in the 2010-2011 academic year exceeded \$700, and the combined amount of tuition and fees for full-time attendance in the program of education in such academic year exceeded \$17,500. There are 7 States which meet these criteria: Arizona, Michigan, New Hampshire, New York, Pennsylvania, South Carolina, and Texas. Beginning on August 1, 2011, and ending on July 31, 2014, the amount payable under this section would be the greater of \$17,500, or the established charges payable based on the *Department of Veterans Affairs Post-9/11 GI Bill 2010-2011 Tuition and Fee In-State Maximums* published October 27, 2010.

H.R. 1383 does not preserve the higher rate for tuition and fees for students pursuing a program of education in a foreign country, pursuing at less than half-time rates or while on active duty.

Section 3 of this bill would freeze the cost-of-living adjustment for the monthly housing allowance provided under section 3313(c)(1)(B) of title 38, United States Code, at the amount payable on August 1, 2011, for a 24-month period beginning on that date. At the end of the 24-month period, the monthly allowance would become the amount then authorized by the aforementioned section.

VA has not yet had an opportunity to estimate the cost impacts of this legislation. We will submit our estimate and updated views on the bill for the record. However, in addition to any concerns we may have if the legislation is found to impose PAYGO costs without an identified offset, VA also has concerns with the proposed legislation as written, to include the timeline for implementing this legislation, which are described in detail below. VA has had constructive discussions with Subcommittee staff regarding these issues, and will continue to be available to work with to the Committee to address these concerns.

VA is working aggressively on the Long-Term Solution (LTS) for processing Post-9/11 GI Bill claims. As of January 2011, VA and the Space and Naval Warfare Systems Center Atlanta (SPAWAR) have developed four releases for the LTS system.

The enactment of Public Law 111–377, which modifies aspects of the Post-9/11 GI Bill, impacted VA’s ability to deploy previously-planned functionality enhancing the capability of the LTS. VA plans to implement changes to the Post-9/11 GI Bill mandated by Public Law 111–377 across three releases of the LTS. The first release was deployed on March 5, 2011; future releases are scheduled for deployment on June 6, 2011, and October 17, 2011.

The enactment of H.R. 1383 as introduced would severely hamper VA’s LTS deployment efforts. The changes made by this legislation would lead to very complicated processing scenarios in the LTS with changes in enrollment and Yellow Ribbon payments. Additionally, since the amount of educational assistance would be based on the greater of the maximum tuition per credit hour or \$17,500, VA would have to apply a blended set of rules to each claim that falls under these provisions.

This proposed legislation would also have a negative impact on service delivery for those students using benefits this fall. VA claims processors would have to thoroughly examine each claim to determine if it meets these provisions, which could result in labor-intensive manual processing. This would lead to a significant increase in the average number of days to process all education claims.

Regarding section 3, VA defers to the Congress on identification of an appropriate offset necessary to pay for the cost of the temporary adjustment for affected Veterans provided by this bill. We note, however, that such a freeze in cost-of-living adjustment increases for housing allowances could result in some hardship for a broad range of students.

VA has identified several other technical concerns with regard to the bill text. For example, it is unclear if an individual must be enrolled in the same school and program on or before April 1, 2011, to be covered under this legislation. It is also unclear how the legislation would apply to an individual who changes programs or schools.

Mr. Chairman, as we noted above, we have already had some discussions with Subcommittee staff regarding these concerns and look forward to the opportunity to continue those discussions.

While the amendments made by this legislation would take effect on August 1, 2011, VA strongly recommends language be added to allow VA to begin making payments in accordance with these provisions no later than August 1, 2012, to allow for necessary system changes and reduce the impact on existing beneficiaries.

As stated earlier, VA requests that we be able to provide cost estimates for H.R. 1383 for the record at a later date.

H.R. 1657

H.R. 1657 would revise section 8127(g) of title 38, United States Code, to mandate a minimum 5-year debarment from VA contracting for any business, including the principals of the business, determined by the Secretary to have misrepresented its status as a Veteran-owned or service-disabled Veteran-owned small business (VOSB/SDVOSB). Further, the bill would require VA to commence a debarment action within 30 days of determining the misrepresentation has occurred and to complete the action within 90 days. VA shares the Subcommittee’s focus on aggressively protecting the Government from disreputable businesses in order that procurement dollars set aside for VOSB/SDVOSBs reach the intended recipients. VA has taken steps to protect the integrity of the VOSB/SDVOSB set-aside process. VA has added to its acquisition regulations the misrepresentation of VOSB/SDVOSB status as a specific cause of debarment for a period of up to 5 years. Also, VA has instituted a separate and distinct 8127 Debarment Committee to review, examine, and refer those who misrepresent themselves to VA’s debarring official. While we support the general intent of the legislation, VA cannot support H.R. 1657 in its present form.

With regard to the proposed bill, VA questions whether a mandatory debarment as proposed would be consistent with the general requirement in debarment actions established by the courts to provide appropriate due process, notice and an opportunity to be heard, to businesses prior to a final determination of debarment. VA also submits that there are varying degrees of misrepresentation of VOSB/SDVOSB status. Some may be the result of an “innocent” mistake whereas others evince a clear desire to circumvent the VOSB/SDVOSB status requirements by “seducer” companies or individuals to steer set-aside dollars to non-status firms or persons. VA’s believes the debarring official should retain the discretion to make these determinations with respect to any debarment, including its duration, based on the specific circumstances, including remedial measures and corrective actions to prevent the misconduct from recurring.

VA requests the opportunity to work with the Subcommittee to address its concern of protecting the VOSB/SDVOSB set-aside program while maintaining an equi-

table debarment process consistent with the requirement for an appropriate level of due process, including ways of improving VA's debarment authority.

VA estimates that enactment of this bill as written would result in no significant costs since VA already has a standing 8127 Debarment Committee.

Draft Legislation

The "Andrew Connolly Veterans' Housing Act" would amend section 2102A of title 38, United States Code, extending, through December 31, 2016, VA's authority to provide Specially Adapted Housing assistance to eligible individuals residing temporarily with family members. Under current law, the authority is set to expire on December 31, 2011.

Although VA supports enactment of this draft legislation, we recommend that Congress extend the benefit through the year 2021, in accordance with the Administration's FY 2012 Budget.

VA estimates that the enactment of this proposal would not result in additional benefit costs or savings.

Mr. Chairman, this concludes my statement. Thank you for the opportunity to appear before you today. I would be happy to respond to questions you or the other Members of the Subcommittee may have regarding our views as presented.

Statement of Vivianne Cisneros Wersel, Au.D., Chair, Government Relations Committee, Gold Star Wives of America, Inc.

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see right, let us strive to finish the work we are in; to bind up the Nation's wounds, to care for him who has borne the battle, his widow and his orphan."

. . . President Abraham Lincoln, Second Inaugural Address, March 4, 1865

Chairman Stutzman, Ranking Member Bradley and members of this committee, I am pleased to submit testimony for the record on behalf of Gold Star Wives on legislative issue H.R. 1383, pertinent to the children of our Nation's military surviving spouses.

My name is Vivianne Wersel, Chair of the Gold Star Wives Government Relations Committee. I am the widow of Lieutenant Colonel Richard Wersel, Jr., USMC, who died suddenly on February 4, 2005, 1 week after returning from his second tour of duty in Iraq.

Gold Star Wives of America, Incorporated (GSW), founded in 1945, is a Congressionally Chartered organization of surviving spouses of military servicemembers who died while serving on active duty or as a result of a service-connected cause. GSW's current members are surviving spouses of military members who served during World War II, the Korean War, the Vietnam War, the Gulf War, the conflicts in both Iraq and Afghanistan, and every period in between.

On January 4, 2011, the Post-9/11 GI Bill Veterans Educational Assistance Act, signed into law, reduces educational benefits and is scheduled to take effect August 1, 2011. This law would affect surviving children using the Gunnery Sergeant John David Fry Scholarship. GSW supports H.R. 1383, which would grandfather veterans and covered individuals who enrolled in a private institution prior to April 1, 2011. This bill (H.R. 1383) also would include exempting veterans from the new nationwide tuition limit of \$17,500. The Fry Scholarship benefit recipients are included as stated ". . . covered individuals entitled to educational benefits under Chapter 33 of Title 38, United States Code . . .".

Because of their hard work and academic dedication, some surviving children excelled and were accepted and enrolled in a high-cost private institution despite the loss of a parent. One of our surviving children attends American University (AU) using the Fry Scholarship. She lost her Dad in 2002 and last week lost her mother. She enrolled full time at AU for the summer; however, it is uncertain how the tuition will be paid because of the Post-9/11 GI Bill Veterans Educational Assistance Act.

Surviving children of active duty deaths post-9/11 are eligible for the Fry Scholarship, which was designed to mirror the GI Bill. GSW is greatly encouraged by the Fry Scholarship program and request this program be included in the Yellow Ribbon Education Program. The Yellow Ribbon Education Program does not currently apply to children of the fallen, yet it would help ensure these children have a brighter fu-

ture. We believe this was an oversight when the Fry Scholarship was created with the intention of matching education benefits to mirror the New GI Bill.

As you may recall from our previous testimonies, GSW seeks improved education benefits for the surviving spouses and children, to mirror the GI Bill. When the servicemember dies, the surviving spouse is left to take over the family and run the household. This would require many spouses to return to school to learn a trade or finish a degree. For many post-9/11 surviving spouses, the servicemember paid into the Montgomery GI Bill, with thoughts that someday the benefit would be transferable. Unfortunately, after the death, the beneficiary receives the paid premiums, rather than the benefit. There is no transferability for the surviving spouse after the death.

We are grateful for Chapter 35, however, it does not keep up with the rising costs of housing, tuition, books and fees. In the past, GSW, as well as The Military Coalition, brought these inequities before Congress. Additionally, the time restrictions to use Chapter 35 should be removed, allowing surviving spouses of previous war eras to use their lost benefit.

GSW seeks a voice when there are changes and or concerns with the Post-9/11 GI Bill or VA education benefits; we are stakeholders. When there is a reduction in a benefit or a delay in the entitlement, the burden places a hardship on the surviving spouse as well as the child.

GSW is grateful to Representatives Miller and Stutzman for introducing H.R. 1383 and for their dedication to veterans and survivors. In conclusion, each of us faithfully stood by our spouses, despite hazardous duty, multiple deployments, and numerous family moves. Some surviving spouses never having an opportunity to have a family and others forced to serve as both mother and father to their children. Surviving spouses often lost longevity in their careers or had to give up careers due to multiple family moves. Now we are faced with the challenge of numerous inequities for our children.

Let me remind you of President Lincoln's quote engraved on the VA headquarters building, ". . . to care for him who has borne the battle, and his widow and his orphan."

Military Officers Association of America
Alexandria, VA.
May 2, 2011

The Honorable Jeff Miller
Chairman, House Committee on Veterans' Affairs
Cannon House Office Bldg., Rm. 335
U.S. House of Representatives
Washington DC 20515

The Honorable Marlin Stutzman
Chair, Economic Opportunity Subcommittee
Cannon House Office Building
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Miller and Chairman Stutzman:

On behalf of the 375,000 members of The Military Officers Association of America (MOAA), I am writing to express our strong support for your bill, H.R. 1383 that would temporarily "grandfather" higher rates for veterans currently enrolled in non-public colleges and universities under the Post-9/11 GI Bill.

MOAA strongly supported needed improvements to the Post-9/11 GI Bill and we were pleased with the final passage of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010 signed into law as P.L. 111-377 on 4 January this year. The original version of that legislation included a grandfather provision to ensure that students who were already enrolled in private colleges could continue their educations under the rate structure in effect on 1 August 2009 as adjusted by annual COLAs. Unfortunately, the grandfather provision was removed from the bill as it proceeded through the legislative process.

MOAA believes the underlying intent of your legislation contemplates the potential inclusion of out-of-state public college students. For some of these currently enrolled veterans, the cost of enrollment exceeds the new academic year cap of \$17,500 for non-public institutions.

We recognize the enormous budgetary challenges that face all of our elected representatives in this most difficult period of rising national debt. MOAA recommends

a further temporary, internal adjustment to program enrollment or housing rates to accommodate currently enrolled out-of-state students attending public colleges.

MOAA respectfully requests a copy of this letter be included in the official transcript of the hearing scheduled before the Economic Opportunity Subcommittee, House Committee on Veterans Affairs on 3 May 2011.

Thank you for your leadership and commitment to the men and women who wear and have worn our Nation's uniform.

Sincerely,

VADM Norbert R. Ryan, Jr. USN (Ret.)
President

National Association of Veterans Programs Administrators
April 27, 2011

The Honorable Jeff Miller
House of Representatives
Washington, DC 20515

Dear Chairman Miller:

On behalf of the membership of the National Association of Veterans Programs Administrators (NAVPA), thank you for introducing H.R. 1383 to temporarily preserve higher Post-9/11 GI Bill (Chapter 33) rates for tuition and fees for programs of education at non-public institution of higher learning. Both your bill as well as Senator Schumer's Senate Bill 745 would, in part, correct what we believe to be an unintended injustice to veterans, servicemembers and their dependents currently enrolled.

While students attending private schools may in some cases experience the greatest reduction in benefits beginning in fall 2011 under Chapter 33; many non-resident (out-of-state) students attending public institutions will also experience substantial decreases in their basic Chapter 33 tuition and fee payments.

A sample of 40 students at four public institutions in three different States (Indiana, Kentucky, and Washington) showed reductions in benefits ranging from \$936 to \$3,864 per year. These figures would likely vary considerably among all 50 States and among institutions. There are definitely students whose benefits will increase based on the new rules, but there are many others whose financial situations will be negatively impacted as is the case for those attending private schools.

We respectfully request consideration to grandfather **all** Chapter 33 eligible students enrolled on or before April 1, 2011 and, including those serving on Active Duty. All eligible students enrolled on or before April 1, 2011 should receive the greater of the scheduled payment under the 2010–2011 Chapter 33 rules, or the scheduled payment under the provisions of P.L. 111–377. We also request that “Covered individuals” include all students (veterans, servicemembers and those dependents to which benefits have been transferred) regardless of the State in which they are enrolled.

We realize this will require VA to calculate payments at both rates for the grandfathered period—and to track those students for whom grandfathering is appropriate. This effort is reasonable to protect all individuals who have made both personal and financial commitments to pursue their educational endeavors based on the benefits available and promised at the time they applied for admission, were accepted and enrolled at Institutions of Higher learning throughout the country.

Thank you for your support, your service, and for your consideration of these recommendations.

Respectfully,

Faith DesLauriers
Legislative Director

Dorothy Gillman
President

Statement of Paralyzed Veterans of America

Chairman Stutzman, Ranking Member Braley, and Members of the Subcommittee, Paralyzed Veterans of America (PVA), thanks you for the opportunity to submit a statement for the record regarding the proposed legislation being considered today. PVA appreciates the fact that you are addressing these important issues with the intention of improving benefits for veterans. We particularly support any focus placed on meeting the complex needs of the newest generation of veterans, even as we continue to improve services for those who have served in the past.

H.R. 1383, "Restoring GI Bill Fairness Act of 2011"

PVA does not support H.R. 1383 as it is currently introduced. We support the concept of H.R. 1383 that will temporarily preserve higher rates for tuition and fees for programs of education at non-public institutions of higher learning.

PVA opposes Section 3 of H.R. 1383. This section will limit the cost of living increases of the monthly stipends for veterans who rely on this funding to support themselves and their families while they prepare for a career after serving their country. Even though the rate of total inflation has remained low in recent years, we are witnessing dramatic increases in transportation costs. Students use their automobile for travel to school, work, and other obligations and higher fuel costs are now affecting food, heating and other necessities. With the price of gasoline increasing each month their monthly stipend must be adjusted each year to help these veterans remain in school.

H.R. 802, legislation to establish a VetStar Award Program

PVA supports H.R. 802, a bill to establish a VetStar Award Program. During this time of high unemployment it is unfortunate that the unemployment rate among veterans is several points higher than the national average. While the Federal Government has directed its agencies to increase the hiring of veterans and those agencies that assist veterans to increase their efforts to help veterans enter the workforce, veteran's unemployment rate remains unacceptably high. This bill, H.R. 802 will help to promote and recognize private sector employers that put forth extra effort to employ veterans.

H.R. 1657, legislation to enforce penalties for misrepresentation of a business as a small veteran-owned business

PVA supports H.R. 802, a bill to enforce penalties for those that misrepresent their business when competing for government contracts. PVA has been a member of the Veterans' Entrepreneurship Task Force (VET-Force) since its creation. This is a coalition of Service Disabled Veteran Owned Small Business and Veteran Owned Small Businesses that work together to identify and remove barriers that prevent these businesses from participating in government contracts. This problem has been an ongoing issue with this organization. Misrepresenting a business for the purpose of receiving a government contract should be a Federal crime. Financial penalties for businesses that perpetrate this misrepresentation would discourage businesses from falsifying information to the Federal Government. PVA supports this legislation.

Andrew Connolly Veterans' Housing Act

PVA supports this legislation that would extend to December 31, 2016, the authority of the Secretary of Veterans Affairs to provide specially adapted housing assistance to individuals residing temporarily in housing owned by a family member. Making a home accessible for mobility impaired veterans is an important issue for PVA. Extending this program for 5 years will allow more veterans to take advantage of this benefit which allows them to stay with their families while rehabilitating and adjusting to their new lives. PVA strongly supported the legislation to create the temporary housing grant when it recently became law. PVA supports the extension of this benefit.